

THE
MERCHANTS' MAGAZINE
AND
COMMERCIAL REVIEW.

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MR. WALKER'S SCIENCE OF WEALTH.

We recollect but one English and one American treatise on political economy the author of which derived his knowledge of the laws of wealth from any other source than the depths of his intellectual consciousness, or the accumulated treasure of his predecessors. The former is that of Mr. Ricardo, a banker of London; the latter is the work before us. Mr. Walker, in his preface, claims a continued business experience of twenty years. Mr. Ricardo's specialty, however, was rent, the connection of which with banking is, to say the least, not obtrusively plain. Mr. Walker devotes himself chiefly to the currency, which every day's experience as bank director and merchant would, to an observant and thoughtful mind, illustrate and expound. We feel justified, therefore, in saying that no system of economical science known to us is so largely the result of practical acquaintance with manufacture, banking and trade as this of Mr. Walker. This fact will naturally command, in some degree, the attention and even confidence of the business community, while it has served to relieve the reader from much of the difficulty and perplexity usually attending the study. The science is here divested of that obscurity which has concealed its features to the common eye, an obscurity woven of technical terms in the forms of metaphysical disquisition. Excepting value, we believe no word is here used out of its acceptation in daily life, and no reasons are given more mysterious or foreign than a farmer might give for his crop, or a merchant for his monthly balance.

Mr. Walker's method includes a minute and formal analysis of every special subject treated, the divisions being marked by letters or figures. Of course, much of the smoothness and grace of composition is inevitably sacrificed. In an essay, the transitions should be easy and even imperceptible; the movement should be on springs, suppressing the jolting of each rut and stone in the path of argument; the outlines flowing and rounded, as little as possible suggesting the framework within. But in works designed for actual instruction, especially with unprofessional students and men of limited leisure, it is doubtful whether an author can afford to sacrifice so much to the general effect. Discussions of this kind must be anatomical in their method; and clear definitions and precise divisions will help the reader far more than gracefulness of figure or lines of beauty. Every limb and joint of the argument should be exposed. By this an author certainly effects two results; the first, that he offers more points for the student to take hold of; the second, that he affords the same convenience to his critics. By making a discussion definite and particular, he loses the precious refuge of generalities, and must stand or fall with his reasoning. Each step of the procedure can be examined by itself, and the argument verified, or otherwise, from page to page. With many writers on this, as on other sciences, it is impossible to collect in their own words their cardinal principles within any reasonable compass. Apophthegms are religiously shunned, and the sense is diffused through so many sentences, and around so many lengthened parentheses, that a critic despairs of getting either nails or teeth fastened where he can tear or bite. Such writers are like Mr. Squeers' son Wackford, who could not be shut into any door, and from whose plump skin a pinch slipped off, leaving no sting behind. But if an author affords such opportunities to his enemies, he is fairly compensated by a better understanding with his friends.

We have a painful recollection of some admirable works on political economy, in which the only division was by chapters, which rolled along, an unbroken stream, for forty or fifty pages. The whole was to be taken at a dose. If one was so unfortunate as to be interrupted at a sitting, the chapter must be commenced anew. There was actually no such thing as a resting place, and an effort, which did not bring you to the top, went for nothing.

Mr. Walker's analysis is carried to the point of minuteness, and if it is not accurate, it at least makes its own refutation easy. The volume may be laid down at any moment, and resumed at leisure, without losing the continuity of thought. The rope is knotted at so many points that it cannot unravel far. A brief glance at the previous headings enables one to recover the precise spot reached, not of the page alone, but of the argument. This feature of the work would, however, have its chief value —we beg Mr. Walker's pardon, *utility*—in its use as a text book, enabling both the scholars to seize the points more firmly in their unpracticed hands, and the instructor to hold them more closely to accuracy and continuity of recitation.

Before proceeding to discuss the special views of the author, we will notice the general idea of economic freedom which pervades the work, not alone brought formally out in the technical question of free trade, but cropping out at every point of the discussion, whether of industrial association, of luxurious consumption, of property transfer, of bequest, or of

usury laws. Mr. Walker evidently does not regard either straight jackets or apron-strings as an essential part of human equipment. He has faith in the instincts of man, and in the disposition of social forms.

"Government cannot furnish a new power in man, or a new agency in nature. It can, to a certain extent, control the exercise of existing power and the use of existing agencies; but it can only control by limiting them." (p. 1.) "There is no sense so subtle as that with which a man detects his own wants. There is no spur so sharp as that which urges him to satisfy them. The wants of a people are the sole proper, the sole possible, motives for production. Nothing can be substituted for them. Anything that seems to take their place is merely a debasement of them." (pp. 92-3.)

Mr. Walker declares the definition of Value to be cardinal in his philosophy. And this definition he assumes irrespective of proof. He takes it because he likes it and does not think of asking the reader's assent to its truthfulness. "No apology is to be given for the definition, and no substitute offered."

This seems rather arbitrary to Americans, but Mr. Walker appears to think that if he is to write a book of 500 pages on Political Economy, he is at least entitled to say what he means by one word, Value. We said irrespective of proof, but not without proof. The definition is defended and the reasons illustrated at great length, chiefly by selections from the "Harmonies" of Frederick Bastiat. We believe that no intelligent student at the present day can reject the theory of Value so luminously revealed by that eminent French Economist.

As Mr. Walker puts it, the term "always expresses precisely power in exchange, and no other power or fact. Desirableness is not value. Utility is not value. * * * The use of this term in its strictest sense is of the utmost importance. If confounded with anything, or taken into any partnership, the whole science is thrown into confusion." (pp. 8-9.)

It may be fair to suggest whether Mr. Walker's strenuous assertion that this, and only this, is value, is not in part caused by the relation of the definition to his subsequent development of the laws of currency. Of course, this is no reason against it. Definitions, to be of scientific efficiency, must be rigidly correct, and the more important the use to be made of them, the more occasion for an author to enforce an unyielding conformity.

Our pen stops to pay its tribute to that illustrious name which no scholar of social philosophy can ever pass without an act of homage. If Bastiat had lived to the common age of man, it may almost be said there would have been no need for another to write. The fragments into which poverty, disease and early death broke the pure crystal of that perfect globe of social order which his mind alone has been able to fashion, are yet, in their wreck, the royal gems of Political Economy.

The department of Production contains nothing specially novel. Very much the usual method is pursued, the division of labor being treated at great length and with various illustrations. Only the primary and simple principles which control the creation of wealth are here discussed, and these, fortunately, are beyond controversy. The most marked exception, perhaps, is a satisfactory refutation of the distinction between productive and unproductive labor.

We pass, therefore, to the book on Exchange.

The author could not be expected to add much to the argument for Free Trade. "The territorial division of labor" is the ground work of his scheme of national industry. The illustration drawn from the iron manufactures of the United States forms a novel feature, and is especially satisfactory because "a stronger argument can be made in favor of its receiving governmental protection than any other."

But while in the direct treatment of the question of "Protection," he has only put in new form the wearied argument of half a century, he yet, on reaching the subject of currency, casts back a light that amounts about to revelation. We refer to the tables exhibiting the law which governs importations. The common belief is, and tariffs are established on the supposition, that the amount of importations is governed by the rate of duties. Diagram No. 7, shows geometrically the prevailing imposts for 42 years, with the actual statistics of the Custom-house as to the amount of foreign goods passed. The lines correspond just about as nearly as two very irregular lines might be expected to, if drawn by different persons independently; sometimes they come together, sometimes they go to the very antipodes. No principle whatever seems to govern their relations. Diagram No. 8 exhibits the volume of *currency* and the amount of *imports* for each of 26 years. The lines are drawn on a field checked with exact and equal squares, so that the reader can by counting with his finger prove the justice of the proportions, while the figures of the official returns are given at the side. The correspondence is perfectly wonderful. Convinced as we have for years been, that our tariffs were essentially neutralized by a defective currency, and our domestic manufactures kept at constant disadvantage, we could not have believed, without this demonstration, that the result could be so unmistakeably shown to the eye.

If Mr. Walker had made no addition to the Science of Wealth, except these diagrams, overwhelming as their testimony is in regard to two of the most vexed and important subjects of discussion, we should yet pronounce his publication a success. This is the only portion of the work on which we shall pronounce a panegyric, and we may therefore be indulged in some little extravagance; for the discovery of a new law, governing a great mass of seemingly perplexed phenomena, is of real scientific interest, and we recognize such a discovery in these charts of tariffs, imports and currency.

We said that the author has not had much opportunity for important discoveries on a field so thoroughly tilled as protection. This is true of the scientific argument, but we think, irrespective of all economical principles or industrial facts, and even granting the whole question to the advocates of high duties, the practical political difficulty which Mr. Walker urges is full, decisive and irreversible. "Injurious as protection is to the best interests of the country, any system of it, however severe, would be preferable to the "open and shut" policy, absolutely unavoidable in a government like ours. It is not within the bounds of reason to suppose that the alternate successes of parties will not continue to convulse our national legislation; and therefore it is with emphasis true, that a consistent system of protection is only possible in a government with great conservative force and great central powers. A representative body, embracing the most opposite interests, swayed by such influences and intrigues as notoriously possess such an organization, and changed in all its parts

every few years, is not the place in which to adjust accurately and dispassionately the economical parts of a nation, and distribute the agencies of production," (pp. 109-10.)

The present winter opens fair to give the general public an illustration of this, in the way of lobbying, log-rolling and the bullying of members, such as has never before been known. No language that should amount to less than a breach of privilege, would begin to express the eminent unfitness of the American Congress for devising and directing a scheme of national industry.

The question of currency is of course made by Mr. Walker the main feature of his work. While it occupies more than its aliquot share of space, the importance of the subject, the pecuniary and social antagonism provoked, the elaborately confused state of the question in the general mind, and the radical character of the doctrines proposed will probably go far to excuse the violation of bibliographical symmetry.

The whole discussion, at this point, has a jealous tone, as if anticipating attack from every quarter. As you pass from hall to hall you are compelled to climb over logical barricades, are challenged at every door, and the sulphurous fumes of the argumentative slow match are ever in your nostrils, suggesting an explosion imminent. Hence, the time occupied in traversing this department of enquiry. While these precautions appear at first sight excessive, they are not without some excuse. To say that the author anticipates the most frivolous objections is simply to say that such objections have been urged over and over again to the apparent satisfaction of some classes of the community. He seems to have gone over the field, this time, beforehand, to pick up every decent sized pebble within throwing distance, and the party that *will* fling stones must bring them a long way with him. While it is philosophical to say that an author should rely on the truth of his own arguments, and not trouble himself greatly as to the character of his assailants or their weapons, we have all probably had a hundred occasions to observe how the most inconsequential objections, if urged volubly and with assurance, will defeat the force to a general audience of a demonstration as faultless and orderly as Euclid's.

We spoke of these views as *radical*. That is precisely the word to characterize them. To train, to prune, to graft this fast and far-spreading Banyan-tree of credit has been the great effort of theorists and law-makers. Our author proposes to cut it up from the roots, as always, only and of course mischievous. Just what proportion of credit may be safely introduced into currency has been the Northwest passage of economical adventurers. Mr. Walker believes that this question is simply how many rotten timbers can be put in a bridge without bringing it down, how much the blood can be reduced before fainting, how much poison can be injected without death. These are strong expressions, but not stronger than are used in the book. Let us trace the argument.

Industry requires the use of money as a medium of exchange and standard of value. Such an instrument must be, for the whole world, of gigantic dimensions and corresponding cost. But this is no more to be grudged than the food we eat, the clothes we wear, the tools we employ, the materials we consume in our daily life and work. To save the expense would be to lose a hundred times greater value.

If of such importance, the only question is, what best fulfils the office of

currency. To take anything else is to use wooden plows in tillage and paper guns in war. We are told that only an article possessing value in itself, *i. e.*, the fruit of human labor put forth for an object of desire, can act satisfactorily as the money of the world. Certainly only value can be a standard of value—that is self evident.

But does the introduction of aught but value (with labor, actual human work as its substratum) into the currency only reduce its efficiency? By no means; the evil is positive. Just so far as credit is brought in, just so far is the currency made an instrument of mischief to all industrial interests.

A value currency is governed by the laws of value. "There is a reason for the putting out or taking in of every dollar" (p. 155). It can no more be increased arbitrarily than cotton or wheat. If it is raised in any country above its proper height it passes off by gradual exportation, under the influence of the law of demand and supply. "Real money is like the water of the globe, rising and falling by natural laws, and keeping its level by its own mobility." (p. 156.) Thus, there can be no plethora or depletion. The perfect state of temperance is maintained without human care or provision.

But a currency composed in whole or part of credit is not governed by the laws of value. "It is not produced by labor. This last fact removes the gravitation which alone can secure a currency. It makes it a thing to be blown about by every breeze, carried up or down with the currents, or whirled about in the eddies of trade." (p. 155.) Its stability thus destroyed, its expansions and contractions produce the most disastrous results.

Nor are they accidental. The fact that a portion of the currency is composed of credit, costing nothing, on which the banks yet obtain interest, makes it for their profit to get out and keep out, in good times, all they can; while the same fact, that a portion of the currency is only credit, for which, however, the banks are equally liable, makes it at once expedient for them, and even necessary, to withdraw as much and as fast as possible, when hard times come. If human nature may be relied on to produce any effect it will certainly secure the recurrence of expansions and contractions indefinitely.

The nature of the case, with the concurrent experience of thirty-four years, tabularly and geometrically exhibited in the volume before us, prove that such fluctuations will take place, irrespective of, and indeed contrary to, the requirements of industry and trade.

The next question is, are they so great and violent as to make the currency which necessitates them an evil, or can we endure them in consideration of the gain from the use of credit money?

Without following the order of the book or even accepting all its conclusions, the mischiefs attending those fluctuations may be stated as follows:—

1st. The unceasing transfer of property without an equivalent.

"In the mildest form of such a currency, fluctuations to the extent of fifteen per cent. are shown to be as common as yearly occurrence can make them." It is as if "the yard-stick were stretched to forty-two inches one year and shrunk to thirty another, or both should happen the same year, without any possibility of anticipating the change, or any public proclamation of it." "Enormous transfers of property take place under

this system without any desert in the party who receives what is another's, and without any fault in the party who gives up what is his own. This it is which makes business a very complicated kind of gambling." (p. 173.) "Every bargain, in an industry of \$3,000,000,000 a year, is more or less vitiated by a harsh and unnatural change, one way or the other, of the currency." (p. 172.)

2nd. The occasional total revulsions of trade.

On the approach of panic, "credit introduces a direct hostility between the interests of those who control the currency and of those who wish to use it. The interest of the one requires that the notes shall be withdrawn. The interest, nay, the life of the other, requires that they shall be kept in circulation." As the banks *can* withdraw their notes, millions a week, what is to become of the business men? 1857 and 1837 furnish the answer. The best houses of the country go down, not because they have not got property, but because they cannot get money.

How much and how permanently disasters of this kind damage the industry of the country, it is not easy, perhaps not possible, to ascertain. No sensible person would place the loss at a low figure, while the best informed would probably differ widely in their estimates.

3d. The discouragement of Domestic Manufactures.

It is beyond dispute, or even beyond conjecture to the contrary, that such must be the effect of debasing the national currency. The illustration is that before our eyes at the present moment, when we are not only ruled out of the general trade of the world, but even the most oppressive duties will not keep out the flood of foreign goods that inevitably sets towards the country that has the *cheaper* and hence the *inferior* currency. This is another item in the account of gain or loss. Unfortunately, it is of a magnitude beyond computation.

4th. The special discouragement of American Agriculture.

The prices of our manufactured articles, since we do not export, are determined by the value of the currency, and hence the loss to the country. The prices of our agricultural products are determined by gold prices abroad, and hence the loss to the farming class, as well as to the nation.

"As a people, we have a large surplus of agricultural products that must find sale in foreign markets. Whatever such surplus is worth for export, determines the price of the whole crop; and the value or price is hence determined by the value or price of gold. Such products are virtually sold for gold. * * * How much difference this makes may be seen at the present time, when commodities in general are 120 per cent. above par, while gold is but forty. * * At the time we are writing the people of the West are suffering prodigiously from the influence of a redundant currency." (pp. 205, 207.) Table IX shows that the prices of cotton and wheat for fourteen years have not conformed to the movement of general prices in the United States.

It is not necessary to proceed further with these objections. Mr. Walker's proposal is a gradual progress to a money consisting as far as desirable of notes, but these based on specie in bank, of which they circulate as the representative. This would combine "the convenience of paper and the reliability of coin," and leave nothing to be desired. It has been tried and approved in the vast and beneficent commerce of Genoa, Amsterdam and Hamburg. It secures not the cheapest but the best in-

strument for the work. It builds no "wagon ways through the air," but lays the broad track of trade upon the solid earth.

The whole discussion supposes the currency "*in statu quo ante bellum*." Mr. Walker regards the present condition of things as temporary and transitional. The chapter on the new National Bank system shows what our circulating medium will be when specie payments are resumed, with the alterations, improvements or otherwise, of the last few years.

The various and interesting questions connected with Distribution are taken up in the usual form and order.

Of Wages, the most noteworthy point made is, that they do not rise equally with commodities, because for the latter there is both an actual and a speculative demand, while for the former there can only be an actual, present demand.

Under the title "Profits" Mr. Walker adduces nothing new or controverted, except the distinction between profits and the reward of capital. Profit is the reward, not of capital (which receives only interest and rent), but of Business. This distinction we believe to be natural and necessary, and any one who disregards it will simply get the threads of his reasoning in a snarl.

Under Interest, there would have been nothing new if the author had not found means to connect it with the all-important question of currency. His proposition is "A mixed currency causes unnatural and extreme fluctuations in the rate of interest." The tables introduced, which show fourteen years of British, and twenty-eight years of American commerce, seem to prove, not that interest has fluctuated extravagantly, for who needs to be convinced of that? but that it has followed the movements of the currency and been governed by them.

The article on Rent is brief, but proportionally clear. We mistake if any topic is treated more lucidly throughout the work. The proof of the proposition that rent would arise "though all land were equally fertile and there were enough for all," we regard as the best demonstration the author has given us. A foot note informs the reader that this, in its essential features, appeared in the MERCHANTS' MAGAZINE for 1860.

The discussions on Labor Combinations, Trades Unions, Strikes, &c., are rather more hasty than most in the work, yet the positions generally are respectably maintained. We believe there is in them nothing particularly new. The author evidently is much impressed with the importance of co-operative associations as reconciling practically and speedily the "differences" of labor and capital. We have no objection to the theory, and none at all to its realization, but we doubt very much whether fifty years will find any great advance in this direction. The Yankee tends to subdivide work, and the calculation of petty savings, eminently useful though it be, is not his method of making a living.

The subject of Taxation properly receives an extended consideration. The importance of the enquiry has opened like a new world before the American eye since 1863, and promises to prove a substantial and permanent discovery, if a monstrous debt and a liberal Congress can be trusted to keep up taxes, as we think they may. Mr. Walker applies to the different means of revenue the test of Adam Smith's "classic" four propositions, to which he adds a fifth. These contain substantially the prin-

ciples which should govern the impositions of Government, but we are inclined to believe that the form would be very much improved by putting the whole into eight or ten pithy apophthegms. The only reason we can conceive for retaining the confused method of Dr. Smith, is the almost imperial authority of that great name, and as Mr. Walker so often flies in the face of prescription and precedent, and casts contempt on order and custom, it may perhaps be reckoned a relief to have a few chapters of which nothing can give rise to anger or dispute.

While adopting the Income Tax, as in theory, and in its reasonable possibilities, the sole tax, a tax without exception, just, easy, and efficient, this work nevertheless accepts the present mixed, and, as is generally supposed, compensating system. Now the mere fact that a system is mixed does not make it compensating, nor does a general belief that the various parts of a system supply each other's deficiencies, necessarily make it so. With one town laying one per cent. on property, and another three; with one state taxing railroads, another lotteries, another salaries; with the Federal Government dipping promiscuously into income, import, manufacture and trade, we should say that the chances of just and judicious compensation were exceedingly small, the probabilities of equalization still finer, while monstrous wrong and robbery would not be unlikely.

Our author admits that the present arrangement "does not establish perfect justice," but asserts that "it approximates as nearly to it, perhaps, as any system of taxation ever adopted or likely at present to be adopted. We confess we should have been glad to see some pages of calculation, with "examples from real life," tending to establish this opinion. We are inclined to believe that the total body of taxation, as it rests on the people of the United States to-day, presses with unequal and mischievous force.

We believe the article on the Taxation of Government Bonds has already appeared in the MERCHANTS' MAGAZINE. The discussion is timely, and the reasons presented against exemption are sound and strong. Its evils are already manifest, and when it reaches on to create an interest against the speedy payment of the national debt, those evils will be greatly increased.

The question of Poor Laws, Population and Promogeniture are kindred, and might be grouped together, although the author has not chosen so to do in "the Science of Wealth." They may be called English questions, since, fortunately, with us, they have not arrived at great practical importance. And yet the fact that the evils have not become so multiplied and complicated here as to produce general distress, is also a reason for our being able to trace and determine their origin, growth and character with an ease and accuracy impossible to the actual sufferers across the Atlantic. These discussions exhibit strongly Mr. Walker's faith that the natural order is the happy order, and that the remedy of existing evils is to be sought, not in laws or social arrangements, but in a return to the condition of economical freedom and equality. The perfect self-sufficiency of labor, when it is allowed its own rights, furnishes the solution of all difficulties.

The book devoted to consumption is especially interesting, because other writers have neglected this department, the most important and fruitful of all. As Mr. Walker says, "all the interest that belongs to wealth belongs to its use." He has offered us 90 pages under that title, though some chapters come no more properly under that head than any

other. But we will accept what is given as an earnest of a philosophy of the use of wealth. The subject naturally tends to generalities, and the author exhibits the effect of this tendency. The springs of wealth lie deeper here; and the truth becomes rather a matter of self-satisfaction than of demonstration. But if the philosopher is deprived of the pleasure of reducing his opponent to an absurdity, he has an abundant compensation in the richness of illustration which belongs to the questions of consumption. We should be glad to make a few extracts from this portion of the work, but we have neither time nor space, and without these, philosophers tell us, nothing can be.

Mr. Walker, in the science of Wealth, goes over the ground usually included, and even introduces some matter not generally treated in the connection. Yet we should have been glad to see some subjects discussed at length which are only alluded to, and the purely *descriptive* element employed to a greater extent. There is no reason why a treatise on this subject should be mainly controversial or even argumentative, any more than a volume of Christian morals or pastoral poetry.

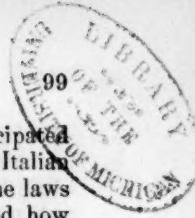
Mr. Walker has given us many of the Curiosities of Political Economy, to follow the title of Mr. Disraeli, but these might be almost indefinitely multiplied, not to be thrown into chapters by themselves, but judiciously interspersed along the pages, to tempt the appetite, or allure the eye. What a fund of industrial oddities, monetary rarities, commercial monstrosities, and economical prætergenerations lie about the fields of history, waiting to be gathered!

On the whole we must say, that this work of Mr. Walker's will derive its character in general estimation from its philosophy of the currency. Whatever its merits in other respects, the main and distinguishing feature must be that which occupies so great a portion of the volume. If the author has substantiated his position that credit, as currency, is only mischievous, deranging industry, exciting speculation, unsettling prices, intoxicating trade and vitiating contracts, fluctuating by an inherent necessity and doing evil in its own name, the importance of the discovery to science and to the country cannot be over-estimated. These views are not advanced for the first time, but they are given in a permanent form and in their proper relation to the laws of wealth.

The diagrams which illustrate the laws of currency, importation, interest, &c., are a purely novel feature. They teach their lessons in a most impressive manner, revealing to the eye at a glance, what the mind must otherwise grope and feel after, through the winding ways of argument or conjecture.

EUROPE IN 1867.

As the year 1866 drew to its close a heavy cloud-bank of threatening political questions was piled up above the European horizon, portending no quiet or pleasant advent of its successor. In the remote East the outbreak of the Candiot Greek gave warning that the hour of the final dissolution of the incongruous and stagnant Turkish dominion could not forever be postponed by the diplomacy of the West. In Italy the



departure of the French garrisons from the Papal States was anticipated with concern by all who knew how greatly the future of the new Italian Kingdom depends upon its power to maintain the authority of the laws over populations long corrupted by tyranny, and who understood how certain it was that the Mazzinists and the Garibaldians, the "party of action," as they style themselves, would endeavor to raise the Roman people in a turbulent revolution about the heels of the retiring protectors of the Papacy. In Germany the folly of the Emperor Francis Joseph in insisting upon an attempt to perpetuate the absolute supremacy of German Austria over the powerful Slavonic and Magyar races, in which the strength of his empire now resides, gave abundant reasons to fear a complete break-up of the ancient Austrian monarchy, bringing with it inevitably not only a renewal of the recent war in Germany, but struggles also of a wider sweep and of more dangerous possibilities along the lower Danube, and upon the southwestern frontiers of the Russian Empire. At the same time there were many evidences visible of a growing jealousy between the French and the Western German population, evidences the menace of which was not mitigated by the haughty, almost defiant, attitude of the Prussian Government towards the Emperor Napoleon III.

In France the failure of the Mexican expedition, and the extraordinary success of the policy of Count Bismarck, had shaken the prestige of the Emperor and emboldened the malcontents of the upper and middle classes to assume a position of open hostility to His Majesty's grand and darling scheme for a military reorganization of France on the Prussian model. And in England itself, ordinarily the type of domestic order and of political stability, strange mutterings were audible. A movement for an extension of the franchise, and of the popular representation in Parliament, had gradually grown under the manipulation of a knot of experienced political agitators into the likeness of an incipient revolution. So prominent a man as Mr. John Bright had not hesitated openly to recommend a "pressure upon Parliament" in the form of gigantic popular demonstrations of the physical force of the disfranchised classes. Excesses committed in London, in Sheffield, and in other large towns, had been interpreted in the light of these recommendations of the man who is universally recognized as the ablest living leader of the extreme Radical party in English politics. The government of Lord Derby, relying upon the instinctive indignation with which the English people have always responded to any threat of coercion, whether from above or from below, from a Charles I., or a Jack Cade, had taken high and resolute ground, and was evidently determined to avail itself of the incautious language and conduct of the extreme Radicals, for the purpose of hurling down the moderate Whigs effectually, and dividing Parliament between the two camps of Bright and of Disraeli.

In this general condition of the older Continent there was certainly much to justify the anxiety with which statesmen and journalists looked forward to the year now begun. To Americans this aspect of affairs was made more than usually interesting by the appointment of the month of April, 1867, as the opening season of the World's Fair at Paris. It has been by common consent anticipated that this would

prove to be the most superb exhibition ever made of the wealth, the resources and the progress of humanity in modern times. Paris, at all times the most attractive of cities, has gained a new and peculiar charm from this anticipation. And it is reasonably enough expected that the exodus of Americans to Europe during the coming spring and summer will far exceed anything which has been seen in the past. The Assistant Secretary of the Treasury, Mr. Harrington, now in Europe, estimates the number of Americans actually in Europe to day at nearly thirty thousand, and puts down the influx thither for 1867 at more than one hundred and fifty thousand. To all of these intending travelers, therefore, it naturally was, and is, a question of moment whether the festivities of April at Paris are or are not likely to be overcast, or perhaps even wholly arrested, by the outbreak of the flames of war or of revolution in one or another important region of the vast area which, as we have seen, the year 1866 left so ominously volcanic and smoking. Four weeks of the year 1867 have so seriously modified the face of matters that this question may already be answered without rashness, and in the negative.

In England, the mistakes of the party of John Bright, and the cleverness with which the Conservatives have availed themselves of these mistakes, are already bearing their fruit. Such is the strength of the reaction induced by the foolish Radical demonstrations of the Autumn of 1866, that Lord Derby's government have announced their intention to leave the question of Parliamentary reform in the hands of the Opposition, reserving to themselves the advantage of controlling in the final vote that powerful section of the Liberals who, while they will hardly be able to prevent Mr. Bright from giving shape to any opposition measure of reform, will be certain to throw their whole weight against the adoptionas law of any measure which Mr. Bright shall have shaped. The English Radicals who, having loaded themselves most unnecessarily with the odium of the Fenian movement in Ireland, have suffered from its failure, and the revolutionary party in Great Britain, may be truly said to be more powerless at this moment for good or for evil than at any time since the Chartist demonstrations of 1848.

In France, the Emperor Napoleon, by a bold and unexpected stroke of policy, has disarmed his domestic antagonists, and enormously increased his force in dealing with foreign diplomatics. He has abolished the executive censorship of the Press, and established a more complete freedom of the Parliamentary tribune than existed in the time of the Orleans monarchy. These measures are pretty clearly preliminary to an open appeal to the masses of the French people in behalf of that grand reorganization of the French army upon which the *bourgeoisie* have already pronounced unfavorably. No Frenchman in our day has shown such a thorough knowledge of the real temper and feelings of the French peasantry as the Emperor Napoleon. No man is more fully aware than he of the overbalancing power of this class in France, and no man has so much reason as he to know that with this class the glory and the preponderance of France in Europe are the deepest of political passions and the most effective of political levers. Freedom of the press and of the tribune will bring it clearly home to the peasantry of France and to the working classes in the great towns, who

on these points are at one with the peasantry, that the aggrandizement of Prussia threatens the preponderance of France in the west, and that the increasing complications of the Eastern question may at any moment compel France to encounter a formidable alliance in the Levant. This being once made plain to the people of France, the Emperor can propose no military law so stringent and sweeping that it will not be supported by the vast majority of Frenchmen with enthusiasm. Whatever may be the ultimate peril to Europe involved in this fresh hold of the Napoleonic dynasty upon France, it must at least be regarded as a new guarantee of quiet for the immediate future. The increased strength of France is a possible prospective menace to Prussia and to Russia, but for that very reason it is pretty sure to impose a policy of moderation upon those powers for the present.

This influence will be fortified, in the ease of by Prussia, the very great trouble which exists in the newly arranged States of Germany. The Prussian military system is a source of great vexation to the people of those States, and the authorities appointed by King William have done more to heighten than to diminish the ill feeling caused by the change of system.

So far as concerns Russia, the prompt acquiescence of the Turkish Government in the demands of Servia has deprived the Greek insurrections in Turkey for the present of their chief importance. No movement of the Christians in Turkey can promise much in which Servia does not lead; and as Servia has now gained all she has asked for, and is more disposed to await the dismemberment of Austria for her of chances development than to invite a Russian interference in Turkey, which would redound rather to the advantage of the Greeks than of the Servians or their neighbors of Moldo-Wallachia, the probabilities are that the efforts of the Great Western Powers to appease the ferment in the East will be successful for the time being.

We may sum up our view of the present position of Europe, therefore, briefly thus: The year 1866 has bequeathed to us a great number of unsettled and angry questions, to which the first weeks of 1867 have added the threatening of a revolutionary outbreak in Spain. But the first weeks of 1867 have thrown into the scale in favor of peace a notable consolidation of the power of the Conservative Ministry in England, and a great and real advance in the hold of Napoleon III. upon France, and through France upon the springs of Continental action. With this advantage on the side of the Western Powers, whose present policy is the maintenance of peace at almost any price, we have little doubt that peace will be maintained; and that 1867 will be the year of travail rather than of birth for the great changes which the future is preparing in the map of Europe.

THE FUTURE OF COTTON.

The cotton yield for the current year is still a matter of considerable uncertainty. It must, however, be acknowledged that the tenor of evidence upon the question favors the estimates of the low crop party. It appears that almost every condition affecting the yield adversely has been realized. The drought and the rains, the worm and the frost, have combined to limit the supply; and, in some sections, loss has been incurred from the disinclination of the laborers to work. Reports are, consequently, received, from almost every point, of disappointment at the result of "picking out." Even those planters who, in October, were sanguine, find the result of their own crop much below their anticipations, while all who estimated the yield at or exceeding two millions of bales now find it necessary to reduce their estimates; and those who from the first have predicted a light supply, have still further moderated their small expectations. This change of estimates is altogether too general to be treated lightly.

During the first four months of the cotton year, *i. e.* from Sept. 1 to Jan. 1, the receipts from the interior were, in round numbers, 735,000 bales. During the eight years next preceding the war the receipts for the four months ending January 1st constituted, on an average, about forty per cent. of the total average crop. Supposing this ratio of receipts to have been maintained for the first four months of the current cotton year, it would follow that a total crop of about 1,825,000 bales may be anticipated. It is claimed, however, that during the present year the early receipts are in excess of the usual rates. The impoverished condition of the planters and other cotton growers, it is argued, has imposed upon them an urgent necessity for forwarding their crop to the market as early as possible. The credit facilities of denied former years are now them; and money has to be provided to pay wages and feed the laborers. On the other hand, it is true that the embarrassing operation of the cotton tax tended at first to impede the movement of the crop to the ports; but this obstruction was so promptly remedied that this can be scarcely considered as countervailing the pressure to realize growing out of the causes indicated. How far the movement up to January 1st may have varied, on these accounts, from the rates of ordinary years, it must be left for the reader to estimate. About a month ago two leading cotton firms of this city telegraphed to sixteen of their agents at the cotton ports for their opinion as to what proportion of the whole crop had then been received. Their replies, dated Dec. 24th to 28th, estimated the proportion variously at from one-third to two-thirds; the ratio at New Orleans and Mobile being stated at fully one-half. If these estimates were accepted, it would follow that a crop of less than 1,500,000 bales is to be anticipated; but, of course, they are mere opinions; and yet they probably indicate the views of the leading planters in those sections of the South. In this market the range of moderate opinion upon the total yield may be taken, we think, as between 1,500,000 and 1,800,000 bales.

In estimating the bearing of these probabilities of a reduced supply upon the value of raw cotton, it is necessary, also, to take into account

the prospects of the supply Great Britain is likely to draw from other countries than the United States. With reference to the chief sources of Eastern production, there appears to be a general disposition to moderate the estimates entertained a few weeks ago. The grounds of this change of opinion in England are thus alluded to by our London correspondent, under date of Jan 5 :

With regard to the cotton trade, it may be observed that although spinners may purchase with extreme caution, the present range of prices must at least be maintained, owing to the small quantities of the staple afloat, and the prospect, therefore, of a small importation for some weeks to come. So far as is at present ascertained, the supply of East Indian cotton afloat is under 100,000 bales, while at this date in 1866 the quantity known to be on passage to Europe was nearly 290,000 bales ; and with regard to America, it appears that only 82,000 bales are on passage, against 60,000 bales in 1866. These figures are certainly in favor of continued firmness in the cotton trade ; but, as successive advices from India report steadily increasing shipments of cotton to Europe, spinners will evidently continue to operate cautiously in concluding sales. At latest date, viz., Dec. 21, the shipments of cotton from Bombay were progressing at the rate of about 18,000 bales per week, being a considerable increase as compared with the previous weeks ; and, as the season for new cotton had just been commenced, there seems to be every probability that with the continuance of favorable advices from Liverpool the exports from Bombay will be on a much more extensive scale. These advices, we know, have been favorable to growers of cotton in India ; hence there can be but little doubt as to the nature of our future advices from the East. In the course of a month or six weeks we shall most probably observe a large increase in the quantity of East Indian cotton afloat. In Egypt the crop of cotton has certainly been productive of disappointment. We were led to anticipate a crop of 600,000 bales, but subsequent advices have reduced the estimate to 400,000, and finally to 300,000 bales. That the crop is by no means so extensive as was announced at the commencement of the season may be considered certain ; but in the present position of the cotton trade, statistics relating to the probable production of cotton in any country should be well authenticated before full reliance is placed upon their correctness. It may, however, be looked upon as certain that the crop of cotton in Egypt is superior to last year, although there is so considerable falling off from the statements made at the opening of the season, with regard both to the extent and quality of the crop. Our latest advices from Alexandria report fair shipments of produce from that port since November 1, but as compared with 1864 there is a falling off of about 7,000 bales.

These combined considerations require a material curtailment of estimates of the total supply from all sources entertained two or three months ago. The reduction may be roughly represented by 250,000 bales for the United States, 250,000 for India, 250,000 for Egypt, and 50,000 for Brazil, making a total curtailment of original estimates amounting to 800,000 bales. These aspects of the supply have produced a strong disposition among holders of cotton to stand firmly for higher prices ; a feeling not shaken by the movement among domestic manufacturers for further curtailing their production of goods.

Surveying the general condition of the world's markets, it would seem reasonable to expect an active demand for cotton goods during the present year.

The political status of Germany is settled, without, at least, any prospect of immediate disturbance, and with less commercial derangement than might have been expected ; and the Eastern question which, until recently, loomed darkly in the horizon, presents no features likely to disturb the larger markets for cotton manufactures. The tone of business in Manchester is assuming a more hopeful aspect, and spinners do not show any reluctance to buy cotton freely at current prices.

Among those best acquainted with the condition of the South and with the disposition of cotton growers, the opinion is strongly cherished that the next crop will be more limited than has been generally expected. There can be no doubt that the profits upon the present crop are too insignificant to encourage an extension of this branch of production. The unwise tax upon cotton bears with great severity upon the growers, and has swallowed up nearly all the profits upon the crop. The burthen of testimony goes to show that, with the enhanced costs of labor, and the uncertainty about its employment, it is impossible, upon an average, to raise cotton for less than 25 cents per pound; and adding to this the tax of 3 cents and the now heavy charges for transportation, it is clear that there is no inducement to lay out any large breadth of land in the production of the staple. The Southern crops of cereals, during the past year, have fallen below the wants of that section, and breadstuffs have consequently ruled high; it is, therefore, reasonable to suppose that this year more attention will be given to grain culture and less to cotton-growing; and the more so as those crops are less subject to suffer from the risks of the seasons and the irregularity connected with the present condition of the new labor system.

The conclusion indicated by a survey of all these considerations appears to favor very decidedly the prevailing firmness of the cotton market.

NATIONAL AID TO STEAMSHIP LINES.

On New Year Day six steamers arrived at this port from Europe, all owned by European capitalists. Yet this is no unusual circumstance, for our entire trade with the Old World promises to be very soon carried on under foreign flags. The recent sale of the Arago and Fulton would appear to augur unfavorably for efforts to continue even one American line of ocean steamers in existence.

It is not our purpose, at the present time, to discuss the reasons for this. They are many and varied; and yet, even if all other difficulties were removed, assistance would still be required from our Government before an American line of steamers could successfully compete with the old established European companies. Without such aid capitalists will not enter upon so hazardous an experiment. We are aware that it is the legitimate province of Government, strictly speaking, to administer justice and protect its citizens. The establishment of industrial pursuits and other legislation of analogous character can hardly be said to be comprised within its purposes. It is to be presumed that every citizen will exercise his talents and energy in the calling which shall be to him the most remunerative, without demanding of the Government to make it so. But it is not always practicable to carry on public affairs strictly upon technical principles. Exigencies arise which materially complicate these matters. True statesmen understand this, and provide accordingly.

The pursuits of commerce are absolutely essential to render other departments of industry remunerative. The facilities of market are vital to

all enterprise. Acting on this principle, the British Government, in former years, were in the habit of granting large subsidies to steamship lines. The purpose was to seize the whole of the mail traffic, and with it the lucrative trade accompanying it in the North Atlantic. Accordingly, Mr. Cunard first began his enterprise under the express stipulation of receiving from the Treasury the annual subvention of £60,000. He soon found the amount insufficient, and the Government raised it to £100,000; but this was not enough, and the sum was finally fixed at £145,000 a year—equivalent to ten shillings and eightpence sterling per mile. The fact was recognized at the outset that the immense capital required to start the line of steamers from Europe to America, and the expenditure necessary for its maintenance, would not be covered by any commercial returns to be expected from it. Private enterprise could not afford to enlist in so great an undertaking. Only by subsidy could it be accomplished; and this measure was warranted by broad considerations of its importance to the British nation.

Afterward the West Indian Steam Packet was established, receiving the still greater subvention of £240,000 a year. The line to Australia was also in its turn fostered in a like manner. As, however, the profits of the lines have become adequate for the remuneration of the companies for the capital invested, it has become proper that the subvention should cease. The British nation has been amply compensated for the expenditure, from the commerce which the establishment and operating of these steamship lines has secured to the country.

In order to establish successful rivalry on the ocean, the French Government found it necessary not only to bestow a heavy subvention on the General Trans-Atlantic Mail Steamship Company, but to lend to it outright the sum of five million dollars. At this very time Prussia is also seeking to extend her power on the ocean. A bill pending before the House of Deputies proposes a large subsidy to steamship lines for mail service, and in addition a loan of \$5,000,000 to enable the company to go into successful operation. The Geetsemunde, just acquired from Hanover, is the entrepot which it is contemplated to establish, and the proposed line is to ply between that point and the city of New York.

We see that the Commercial Navigation Company, of the State of New York, recently memorialized Congress for legislation to enable the operating of an American Transoceanic line of mail steamships. The proposition which the company submitted was, to establish a line of seven sea-going steam vessels, two of two thousand and five of three thousand tons, and all to be constructed in the best manner, with all known modern improvements in model, machinery and outfit, so as to secure the greatest possible speed and safety. The proposed outlay for construction exceeds six million dollars. The purpose, it is said, is to secure a speed of twelve to fourteen marine miles an hour, with a draught of water which shall not exceed sixteen feet when loaded; and in the plan of construction to have three decks, one extending the entire length of the vessel, giving passengers every possible comfort and convenience. These steamships would constitute a United States line for the transportation of the mails. The memorial asks Congress for the passage of a law authorizing the Postmaster General to arrange and contract with the company for the weekly conveyance of the foreign and European mails of the United

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States between New York and Liverpool for a term not exceeding twelve years. The times of sailing, and other details, are proposed to be arranged between the company and the Postmaster-General.

At the present time no mail, no dispatch from the Federal Government to a minister, or other foreign agent, or from such agent to the Government, no diplomatic agent of the United States crosses the ocean, except on foreign vessels and under a foreign flag. These facts, it is claimed, should be allowed due weight when considering this application.

The compensation asked by the company for carrying the mails is the postage. In view of the fact that an outlay of about eight million dollars will be required for the building, equipping and running such a line of steamships as is proposed, this company ask in addition that the Postmaster-General shall be authorized to guarantee the payment of their bonds to the amount of about \$8,000,000. To assure the government against loss by this transaction, it is proposed that the company shall give to the United States a first lien upon the steamships, their tackle, apparel, machinery and furniture, which will be worth double the amount of the obligations so assumed; also that the Postmaster-General shall receive all the moneys paid for postage on the mails so carried, applying the amount to liquidate the interest on the bonds, and retaining the excess for payment of the principal till the entire indebtedness shall have been extinguished. The bonds so guaranteed, it is further proposed, shall be issued in such amounts and at such times during the construction of the steamships as the Postmaster-General shall determine, and shall be made payable at the expiration of twelve years, bearing interest at five per cent., gold, to be paid semi-annually. The company also propose, as additional security against loss on the part of the Government, to cause each of the steamships to be insured, by marine insurance companies of good standing, against the dangers of the seas, in such sums as shall be equivalent to the amounts of the bonds so guaranteed and owing; the policies to be made payable to the order of the Postmaster-General. In the event of war, the Navy Department shall be empowered to take the vessels and use them as transports or ships of war, for an equitable sum, or may purchase them for the public service, if the Secretary of the Navy shall deem proper.

We refer to this memorial thus minutely because it appears to be the most favorable project of the kind now before Congress; not because we approve of all its details. The estimate upon which the proposal is based supposes the average amount received annually for postage to be \$450,000, which would be more than sufficient to meet the interest and principal of the bonds guaranteed. By reference to the report of Postmaster-General Randall for the fiscal year ending June 30, 1866, the cost of transatlantic mail service, which is performed almost wholly by foreign steamship lines, was \$525,307 46, the total amount for the four years ending with that date being \$1,634,710. Within the last fiscal year our European postal communication has been increased at the unprecedented rate of 25 per cent.

There has existed in this country for years a strong feeling against subsidies. The experiment of the Collins Line evidently operated to strengthen this prejudice. But when we consider what Great Britain has done to promote the navigation of the ocean by means of steam vessels, as

well as the advantages which have been thus secured for her merchants and manufacturers, it would seem to be time for such prejudices to cease. Our Government has actively taken the initiative in the case of the line of subsidized mail packets now plying between New York and Rio de Janeiro, in which case the contract obligates the United States to pay the company for twelve round trips each year the annual sum of \$150,000 for ten years, the Imperial Government of Brazil also paying a like amount. The Pacific Mail Steamship Company has also obtained a contract to make twelve round trips between San Francisco and China each year, for the annual subsidy of \$500,000, for and during the term of ten years, beginning on the first day of January, 1867.

In accordance with this principle, enterprises have been fostered by Congress for the purpose of developing the resources of the country. Aid has been granted by lending the credit of the Government to two Pacific Railroad companies, the bonds of the companies having been endorsed by the Government at the rate of \$16,000 per mile, and only a second instead of a first lien having been required. Large grants of public lands have been made to the new States, to facilitate the construction of railways. Every argument that can apply in defense of those measures would seem to be of equal force in regard to the bestowment of governmental aid to steamship lines. Such lines would increase the volume of commerce and direct it to our own ports, making our home industry remunerative, and so developing the resources of the Government.

We trust that Congress will give the most careful attention to this matter. If the patronage of our Government can be employed judiciously to bring Europe, the ports on the Mediterranean and the countries lying on the Indian and Pacific oceans, into frequent communication with the United States, it should be done. It is for the interest of this country. Upon the direct question of guaranteeing the bonds of the Commercial Navigation Company, or private obligation of any kind, however, we are hardly clear. In times past, whenever public or private matters have been mixed up, the public interest has often been the loser. Nevertheless, there is in this case security offered, and the prospect of an ulterior advantage to counterbalance the risk of any such loss. When private enterprise promises and almost guarantees to initiate an era of commercial prosperity for the country, it is, we will admit, the time, if ever, for the Government to lend its aid.

LONDON STOCK EXCHANGE—HISTORICAL AND CRITICAL.

(Continued from Vol. 55, p. 416.)

The events at the close of the 18th century, when an exhausting war with France had to be sustained by numerous loans, stimulated and extended the rage of speculation, and it then became requisite for stock-brokers, in order to steer with anything like safety, and to operate with as much success as the hazardous nature of the pursuits in which they were engaged would allow, to unite themselves more closely and to conduce

their affairs in a more systematic manner. They therefore formed a committee composed of the most influential persons then exercising the calling of stock-brokers, and opened a subscription for the erection of a building to be devoted to their special accommodation. Upon the first of May, 1801, the first stone of Capel Court was laid, deriving its name from Sir William Capel, Lord Mayor of London in 1504. The founders of the structure dissenting from the adage which affirms that "good wine requires no bush," thought it necessary that an inscription should be placed in a conspicuous part of the building, and the following one, in which common sense and the rules of grammar are slightly violated, received the approval of the members, who were soon to quit their humbler quarters in Sweeting's Rents for a temple more worthy to be dedicated to the worship of the auriferous deity who dispenses wealth :

"At this era, the first year of the union between Great Britain and Ireland, the Public Funded Debt had accumulated in five successive reigns to £552,730,924. The *inviolate faith* of the British Constitution *sanc-*
tion and secund the property embarked in this undertaking. May the blessing of that constitution be sacred to the latest moment!"

If this inscription had been framed by Mrs. Malaprop herself, that renowned lady could scarcely have displayed a greater confusion of ideas, or given a sample of more barbarous phraseology.

The stock-brokers having now become more genteel and aristocratic, were no longer admitted upon the payment of a paltry sixpence, but were elected by ballot, and each member was required to pay an annual subscription of £10. As a proof of the progressive success of the body, we may observe that a more costly and spacious building was erected in 1854, in Capel Court, for the accommodation of the members of the Stock Exchange.

There are nearly 900 members belonging to the corporation, which is governed by a committee of thirty of the most influential persons connected with it, and who are elected annually by ballot, upon every Lady Day. The committee exercises the most arbitrary control over the members, and is absolute in the regulation of what is designated the affairs of "the House"; but it is only fair to mention that if in its decisions it at any time is guilty of partiality or oppression, its judgments against offenders, whether requiring them to forfeit their pecuniary obligations or punishing them by exhibiting their names upon the fatal and dishonoring *Black Board*, or in visiting them with suspension of their functions, or even expulsion from the Stock Exchange, are rarely, if ever, complained of, and their justice may be presumed from the silent submission with which they are received. Any applicant wishing to become a member of the Stock Exchange must be recommended by *three persons* who have been themselves members of it for not less than two years, and who have *fulfilled all their engagements*; and it is indispensable that each should enter into a security for £300 to be paid to the creditors of the individual whom they propose to be admitted should he be a defaulter within two years from his admission, and the liability is to continue for three years. One would imagine that this rule would amply suffice, not only to render the Stock Exchange extremely exclusive, but to constitute it really, in the strictest sense, a monopoly, for as it is a maxim that "two of a trade seldom agree," it is not to be supposed, unless in the case of a relative or

some valued friend, that three stock brokers would be found eager to introduce a new competitor for business, and even secure him for three years as a probationary speculator. There are, however, numerous other rules framed in order to prevent any aspiring person entering Capel Court, to operate in it to his advantage, with a slender purse, and several penal provisions that Draco himself would have applauded, to run down and punish defaulters. After every precaution which the ingenuity of stock-brokers could be supposed capable of displaying to guard against any untrustworthy person being admitted, the chairman is required to put these inquisitorial interrogations to the parties who recommend, and who are willing to become security for a candidate seeking admission :—

"Has the applicant ever been bankrupt, or compounded with his creditors, if so, within what time and what amount of dividend has been paid?"
"Would you take his cheque for £3000, in the ordinary way of business?"
"Would you deal with him in £5000 or £10,000 consols for time?"

By the 163d rule it is declared that whenever the creditors of a defaulter shall represent to the committee, or when it shall otherwise appear to the committee that his conduct has been dishonorable, it has the right to cause his name to be affixed on the black board in the Stock Exchange. It may not be uninteresting to state that the "black board" is an instrument of exposure and punishment, was first brought into requisition in 1787, and the cause which led to it is thus announced in the *Whitehall Evening Post* :—"There was no less than twenty-five 'lame ducks' who waddled out of the alley, whose deficiency is estimated at £250,000." The exit of so large a batch of stock-brokers, and for so formidable a sum, alarmed the members, who deeming it expedient that some measure of summary justice should be adopted to strike terror into the hearts of their dishonest associates, determined to try as an experiment the efficacy of the "black board," which was found to answer the purpose so well that it has ever since been used as an effectual mode for the punishment of the delinquents of Capel Court. It is to be regretted that during the railway mania of 1845–46, when the most disgraceful practices were considered justifiable for the purpose of "rigging the market," the committee of the Stock Exchange did not exercise that penal power which it has so often employed in the case of defaulters, for the protection of the public which suffered terribly from the dishonorable conduct of a class of unscrupulous stock-brokers.

For the information of a great majority of persons, it may be necessary to observe that though outside the Stock Exchange all who transact business in it are denominated stock-brokers, a very important distinction exists within its walls—the members being divided into two classes, namely, broker and jobber. The former can alone purchase or sell for his principal, whether that principal be a public body or private individual, and is prohibited from operating upon his own account; while the latter is a dealer in stocks, and can of course, vend or buy as it may suit his interest.

When the broker comes upon 'Change the jobber is expected to meet him, and to be ready to start business by offering to purchase stock from him, or to sell it to him. It requires the broker to be wary and circumspect, as he is surrounded by jobbers directly when he appears in the great mart of negotiation; and should they be able to ascertain whether he comes to buy or to vend, he will be at their mercy afterwards, and

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have to submit to hard terms, particularly if he desire to dispose of stock laboring under a bad reputation. The jobbers are frequently persons having comparatively but small capital, sometimes not exceeding £300 or £400, yet for the bare chance of obtaining the slight profit of $\frac{1}{5}$, they will with alacrity operate for thousands. The *dies infastus*, the awful "settling day," however, arrives, which has so often caused fear and trembling upon the Stock Exchange; and should the jobber then be unable himself to deliver the amount of stock he has agreed to hand over to the broker, he must procure it at any sacrifice or evade his contract by having recourse to an illegal shift, termed technically "an option," and failing to extricate himself in this attempt, he will be forced to make his retreat as a defaulter from the scene of his speculations. Three ominous knocks with a wooden hammer by the porter of the Stock Exchange, who, with sonorous voice, announces that Mr. Walker or Mr. Flight, or whatever else his name may be, regrets he is unable to meet his engagements, briefly reveals the fact of the reverses of "the lame duck," who has just been obliged to waddle off. In a season of panic, like the memorable and terrific "settling days" in 1835 and 1847, when Spanish stock dropped five and ten per cent. at a time, and bubbles daily exploded, the downfall of one giant jobber brings scores of his companions in Capel Court to grief and destruction. The broker, too, treads a stormy and perilous path when his principal fails to be prepared with the sinews of war, which will often occur in foreign transactions, and during stormy times. To avoid danger, the wise course obviously would be to steer clear of that sort of speculation which approximates to gambling; but were this salutary rule observed, little business would be done in the Stock Exchange; and a body comprising nearly a thousand members, not to speak of the "outsiders!" who are numerous and increasing, would be left destitute of remunerative occupation.

The broker for what may be called ordinary or legitimate business, when the investment is small, is not adequately paid for his trouble and loss of time; and it must be allowed to be a hardship upon him that whether he had to buy £100 or £50,000 consols he has to waste a considerable portion of the day in effecting the transfer, often receiving for his labor not more than 2s 6d or 5s. It is the "time bargains" which cause the Stock Exchange to flourish, and bring grist to the mill of speculators, high and low. We should state that "time bargains" are purchases and sales of stock for future and fixed periods, regulated by the committee, and that they have their origin in this way. The books of the Bank of England are closed for five or six weeks at the beginning of June and December to allow time for preparing the warrants for the dividends, which are always paid on the following month.* No one can buy or sell during his interval but upon the condition that the transfer is to be made upon "the opening day." This, it will be seen, can occasion but little inconvenience or disadvantage to either buyer or seller, as regards English stocks, which are subject in ordinary times to slight variations, but one necessary suspension of business in one description of securities has been made an excuse or cloak for launching all the wildest speculations in foreign and other stocks and shares on which vast sums of money are often lost and won.

MERCATOR.

* This system has been changed, but time bargains are now legal transactions.

THE PUBLIC DEBT OF VIRGINIA.

The public debt of the Commonwealth of Virginia, on the 30th September last, amounted to \$34,977,131 38, without including \$1,951,596 21, being interest funded into principal and redeemable generally at ten years.

The details, so far as returned in the Report of the Second Auditor are as in the following statement :

Certificates and Bonds issued prior to Jan. 1, 1852.....	\$10,200,252 00
Deb. created since Jan. 1, 1852 :	
Between January 1, 1852 and January 1, 1853.....	\$2,979,087 00
do do 1853 do 1554.....	4,605,916 87
do do 1854 do 1855.....	4,112,184 37
do do 1855 do 1856.....	1,504,403 09
do do 1856 do 1857.....	2,653,570 10
do do 1857 do 1858.....	630,260 00
do do 1858 do 1859.....	1,866,800 00
do do 1859 do 1860.....	1,454,600 00
do do 1860 do 1861.....	3,621,825 00
do do 1861 do 1862.....	1,146,870 00
do do 1862 do 1863.....	131,380 02
do do 1863 do 1864.....	41,350 00
do do 1864 do 1865.....	18,100 00
do do 1865 do 1866.....	5,800 00
do do 1866 and Sept. 30, 1867.....	4,900 00--24,777,046 35
Debt created under Act, March 2 (funded interest).....	\$1,951,596 21
Aggregate Public Debt, Oct. 1, 1866.....	\$36,928,894 59

The following, which is a recapitulation of the above debt, shows also the character of the Securities of which it is composed and the rate of interest:

1. Under acts prior to April 17, 1861, viz.:

6 per cent. certificates, registered debt.....	\$21,896,293 38
5 " " " " "	103,000 00 -\$22,004,298 38
6 " " coupon bonds.....	11,118,000 00
5 " " " " "	1,865,000 00 - 12,973,000 00

Total public debt under acts prior to April 17, 1861... \$34,977,298 38

2. Under act of March 2, 1866, (funding) viz :

Total public debt under act of March 2, 1866..... \$1,961,596 21

Total public debt, October 1, 1866..... \$36,928,894 59

The issues under the act of March 2, 1866, are payable—in 1868, \$71,033.91; in 1839, \$757.50; in 1876, \$1,350,900.00; in 1886, \$489,300.00; and in 1900, \$39,600.

Of the Coupon debt, embraced in the above schedule, viz.: \$12,937,000, there is payable—in Richmond, 6 per cents., \$63,000; in New York 6 per cents., \$10,900,000; and in London, 5 per cents., (£373,000) \$1,865,000. The remainder, \$145,000, is accounted for as "lost at sea".

The bonds issued since January 1, 1852, have all to run 34 years after date. The interest on the sterling debt will amount on the 1st January, 1867, to £93,250 or \$466,250. This will be funded on the 1st July, 1867, in bonds of the Commonwealth, through the agency of the Messrs. Baring.

The following is a statement of subscriptions by the State to Joint Stock Companies and appropriations for State improvements upon which payments have been made, showing the amount authorized by law, the amount paid and the amount remaining to be paid September 30, 1866:

	Authorized.	Paid.	To be Paid.
16 Railroad Companies.....	\$22,704,533 29	\$18,584,928 28	\$4,189,594 94
18 Navigation do	12,277,290 11	12,284,116 30	43,173 81
10 Plank Road do	465,800 00	399,755 41	66,044 59
161 Turnpike do	2,674,540 37	2,371,009 10	303,531 27
12 Bridge do	106,100 00	104,461 66	1,628 34
30 State Roads	1,868,098 40	1,825,828 83	42,269 57
Total.....	\$40,096,352 11	\$35,520,109 59	\$4,576,242 52

The total of investments of the Fund for Internal Improvement, chiefly railroad, bank and canal stocks and bonds of the State, is \$5,178,233 33; but of this very little is at present available.

Besides the public debt proper, the Commonwealth has guaranteed the bonds of several corporations, viz: bonds of the James River and Kanawha Canal Company to the amount of \$314,955; of the Chesapeake and Ohio Canal Company \$500,000; of the city of Petersburg, for the construction of the South Side Railroad, \$323,500; of the Virginia Central Railroad Company \$109,000; of the Richmond and Danville Railroad Company \$200,000; of the city of Wheeling \$500,000, and of the Alexandria Canal Company and Corporation of Alexandria \$15,000—total, \$1,953,455.

There is also an issue of \$200,000 of State stock to the James River and Kanawha Canal Company, issued under an act passed March 18, 1862, the validity of which is questioned.

From the foregoing it will be seen that the funded debt of the State amounted, on the 30th September, 1866, to \$36,928,994 59. To this must be added the interest accrued and not funded up to Jan. 1, 1867, amounting to \$6,237,391 93—making the total funded and unfunded debt, at the date mentioned, \$43,166,286 52. This sum does not embrace the above mentioned bonds of corporations, guaranteed by the Commonwealth, amounting to \$1,953,455, but it includes \$1,997,315 46 standing on the books of the Second Auditor in the name of the Commissioners of the Sinking Fund for the liquidation of the public debt.

The Auditor does not think that the magnitude of this debt need excite apprehension as to the ability of the State to pay it. But he adds that is due to the creditors to state "that the losses of the Commonwealth, growing out of the war, have been of such magnitude as, in my opinion, to render it impossible to pay full interest on the public debt for several years to come."

With this prelude he proceeds to unfold his plans for relief. They are two in number: the first proposes the consolidation of the debt, and the second, the scaling of the debt down to $66\frac{2}{3}$ per cent., the $33\frac{1}{3}$ per cent. excised to be taken up or not, as the result may be, by West Virginia. It will be seen that the first project is not very unlike the plan adopted by Missouri.

"Supposing the debt consolidated," says the auditor, "I propose to pay the interest upon it according to a graduated scale rising from three to nine per cent. per annum, and running through a term of thirty years, thus: for the first four years, 3 per cent.; for the next four years, 4 per cent.;

for the next four years, 5 per cent.; for the next six years, 6 per cent.; for the next four years, 7 per cent.; for the four years, 8 per cent. and for the last four years, 9 per cent. The scale averages, it will be observed, six per cent. per annum; and I may state here that the basis upon which it rests is the prospective appreciation of the taxable property of the State, and is so arranged that only a moderate tax will be required while the State is recovering from its prostrate position. The Auditor is of opinion also that the Sinking Fund should resume its functions contemporaneously with or before the issue of the new certificates and all the means of the commonwealth properly assignable thereto, be turned over to the commissioners of that fund to be used as the law directs.

The theory and nature of the scaling system proposed may be best understood from the author's own words. He says:

"I beg leave to call the attention of the General Assembly to a plan which has been suggested for reducing the public debt, which claims attention from the number and respectability of its advocates. I will state it briefly. From figures (given in another part of this report) it will be seen that one-third of the whole population of the State in 1860, nearly one half of its territory, and about twenty-five per centum of the value of its real estate, are now included within the territory of West Virginia. Assuming one-third as a proper proportion of the debt to be paid by that state, it is proposed to scale the whole debt by paying two-thirds ourselves and leave the remaining third to be adjusted between the creditors of this State and West Virginia. This would, I think, be an equitable ratio of settlement. But I should be unwilling arbitrarily to assign any portion of the debt to West Virginia, or to assume for ourselves any specific part of it, until the Legislature of that State can have an opportunity of appointing commissioners to confer with ourselves upon all unadjusted matters of account between the two States. Should West Virginia fail to appoint commissioners, or should those commissioners, when appointed, decline to assume any equitable portion of the public debt, then, I think, we would be fully justified in resorting to the expedient of scaling the debt according to the propositions indicated above."

There is very little probability of the Legislature adopting this plan. The debt is certainly large, and the taxation required will be heavy; but we incline to the belief that any burden will be endured by the people of the State that it is possible for them to endure, before they will consent to even partial repudiation. Previous to the war the bonds of Virginia sold readily at 96@98. They are now sold at 40@42.

We learn that Governor Pierpont has submitted to the bondholders a proposition which is in substance to sell to the bondholders the State's interest in the railways for a like amount of State of Virginia bonds, giving or receiving the differences. He divides the roads as the James River runs, giving to the buyers all the roads on the south side of James River, which are five feet (with the exception of twenty-two miles), in one transfer, the State to pass such laws as will give the new shareholders all equal rights with the present shareholders; and he proposes to make a like sale of all the State's railway shares and bonds on the north side of the river. The gross receipts on the five railways on the south side of James River last year were about \$1,600,000, and are about six hundred miles. Three-fifths of the capital in most of these roads is owned by the State, beside her mortgages of \$2,700,000.

THE LIVERPOOL COTTON MARKET FOR 1866 AND THE RETURNS OF THE BANKS OF ENGLAND AND FRANCE.**HOW Affected BY THE LONDON PANIC.**

The year 1866 in Great Britain opened with flattering prospects. Notwithstanding the high rate of discount, an extensive, healthy and remunerative trade was fully anticipated. One of the leading features then most apparent was the resumption of trade with ourselves. During the closing months of 1865 we were very extensive buyers of goods in English markets, and it was chiefly owing to this activity that considerable stringency was produced in the London money market. The first week of the present year the minimum rate of discount at the Bank of England was raised to 8 per cent., inducing much more caution on the part of merchants, so that matters soon assumed a more satisfactory position. On the 22d of February the rate was reduced to 7, and on the 15th of March to 6 per cent. But this improving position suddenly received a serious check. During the early months of the year there had been an uneasy feeling respecting the Joint Stock Discount Company, and at a meeting of the proprietary, in January, it was decided to make a call of £5 per share; eventually it was decided to wind up the concern. The failure of this company, however, would probably have passed away without more than ordinary comment had it not been apparent that several other institutions were similarly situated, and the fear on the part of many therefore that this collapse was but the commencement of a series of failures. Great uneasiness was consequently felt, and this was increased by an advance in the bank rate on the 8th of May. The previous tendency of money had been of a favorable character, and yet on a Tuesday the Directors had deemed it advisable to raise their quotations to the extent of one per cent. The fact of the bank rate being raised on any day except Thursday is a certain sign that the position of affairs is unsatisfactory, and such proved to be the case on this occasion. For some time the public had shown much curiosity to ascertain the reason why the shares of Overend, Gurney & Co., limited, with the handsome dividends they had paid, should be at so low a price (10 dis.) in the market. The inquiries commenced in the Metropolis, extended to the provinces, and at length Overend, Gurney & Co's shares became almost unsaleable. The Directors of this Company foresaw that without extensive and prompt aid there was no alternative but to close their doors. It was at the time that the bank-rate was raised to 7 per cent. that the Directors of Overend's were endeavoring to raise sufficient money to enable them either to reclaim their position or to delay the period when they must succumb. A meeting of the leading bankers was held, but in consequence of the very unfavorable state of the accounts, and the little prospect of surmounting their difficulties, the Bank of England and the other banks declined to grant the accommodation required. Hence there was no alternative left to the Directors but to announce their failure. This announcement was made on the 10th of May at the close of business, and the excitement produced by so important an event was, as our readers will remember,

intense. Unlike the Joint Stock Discount Company, the name was famous, the private firm of Overend, Gurney & Co. having, for a long series of years, been considered one of the most respectable and wealthy in the Kingdom. The suspension having occurred on the afternoon of Thursday, the 10th of May, the effect of the failure was not felt until Friday, the 11th, and those who witnessed that day will probably never forget the excitement which prevailed. The run upon the banks was very great ; the strain upon the resources of the bank of England was heavy in the extreme, but, fortunately, all the principal banks met their payments promptly, and some, indeed, kept their establishments open two hours beyond the usual period. Nevertheless, many institutions were compelled to succumb, viz. the English Joint-Stock Bank, the Imperial Mercantile Credit Association, and the private firm of Peto, Betts & Crampton, including many others of lesser note. The failures of the year may be considered to reach a total of about one hundred, of which seventy were of considerable importance. The course of this monetary trouble, and its effect, may be seen in the following table we have prepared, showing the position of the Bank of England each week in the year. From the commencement of May to the period when the rate was reduced to 5 per cent. the figures are extremely interesting. It will be observed that on the 30th of May the strain upon the establishment was the greatest, and that the Bank was almost compelled to make use of the liberty, granted by Government, to suspend their charter. Such a course, however, was unnecessary, and as the year closes the bank holds a position of very great strength. The returns are as follows :

RETURNS OF THE BANK OF ENGLAND FOR 1866.

Week en ing.	Public Circulat'n. De osits.	Private Deposits.	Private Securities.	Bullion.	Reserve.	Bank rate.
Jan. 3.....	£22,291,867	£5,759,437	£14,737,958	£24,737,687	£13,106,183	£5,979,748
" 10.....	21,901,410	3,473,698	16,231,562	22,331,194	12,887,829	6,091,324
" 17.....	21,841,009	3,270,495	14,385,209	19,909,599	13,031,834	6,275,584
" 24.....	21,377,195	3,431,945	14,130,091	19,423,203	13,070,760	6,748,280
" 31.....	21,481,674	4,145,939	13,390,352	19,414,046	13,165,480	6,752,255
Feb. 7.....	2,425,501	4,549,904	12,344,200	18,857,681	13,056,993	6,690,793
" 14.....	21,166,537	4,930,382	12,176,119	18,583,393	13,296,114	7,182,874
" 21.....	20,973,521	5,048,77	12,591,493	18,020,460	13,822,935	8,260,345
" 28.....	21,174,286	5,448,781	12,7,2,313	18,812,117	13,966,574	8,198,474
Mar'h7.....	21,163,605	6,057,725	12,700,538	19,305,309	14,050,504	8,316,079
" 14.....	20,906,227	6,394,819	12,723,104	19,052,576	14,327,618	8,804,543
" 21.....	21,033,449	6,824,602	12,478,479	19,392,202	14,455,533	8,819,923
" 28.....	22,007,934	8,375,045	13,332,000	21,879,302	14,362,397	7,740,667
April 4.....	22,776,473	7,692,911	13,331,065	22,094,787	14,251,947	6,619,332
" 11.....	22,517,179	4,057,018	14,956,004	19,332,831	14,234,118	7,188,763
" 18.....	22,744,025	4,045,459	13,971,790	18,976,716	13,889,112	6,585,317
" 25.....	22,588,214	4,417,147	13,294,641	18,501,854	13,855,776	6,694,661
May 2.....	23,3,9,819	4,922,990	13,507,965	20,380,395	13,509,140	5,636,140
" 8.....						7
" 9.....	22,806,660	5,381,827	13,515,537	20,944,217	13,156,140	5,811,745
" 12.....						9
" 16.....	26,650,817	5,936,219	18,620,672	30,943,259	12,923,805	1,202,8,0
" 23.....	26,020,693	5,994,761	18,750,917	31,054,406	11,857,786	1,38,216
" 30.....	26,562,525	6,188,512	20,467,080	33,447,463	11,878,775	859,980
June 6.....	26,020,626	6,649,515	20,206,683	31,771,845	13,278,961	826,041
" 13.....	26,574,416	7,126,969	20,127,347	31,270,277	14,481,895	3,5,5,550
" 20.....	25,691,874	7,288,344	21,171,357	31,209,162	14,851,120	4,744,330
" 27.....	25,388,308	7,965,331	20,819,750	30,883,810	15,042,399	5,218,409
July 4.....	26,497,624	8,800,251	9,939,607	30,749,551	14,876,949	4,065,080
" 11.....	25,899,211	2,726,739	21,472,485	29,39,534	13,993,470	3,800,640
" 18.....	26,1,6,629	2,161,726	19,820,939	27,75,249	13,615,975	3,224,595
" 25.....	25,927,644	2,517,449	18,546,769	25,742,316	13,716,829	3,453,738
Aug. 1.....	26,236,388	3,189,580	17,738,851	26,567,368	13,793,340	3,273,390
" 8.....	25,665,018	3,160,456	17,660,244	26,156,555	13,602,429	3,580,229
" 15.....	25,234,029	3,383,525	18,125,280	25,224,317	14,150,956	4,610,866
" 22.....	24,797,733	3,411,639	18,763,474	24,888,158	14,772,220	5,590,105

Week ending.	Circulat'n.	Public Deposits.	Private Deposits.	Securities.	Bullion.	Reserve.	Bank rate.
" 29	24,502,436	4,137,048	18,473,150	28,937,484	15,882,020	6,933,510	6
Sept. 5	24,566,518	4,778,487	17,462,300	23,225,787	16,195,212	6,973,967	5
" 12	24,124,264	5,184,758	17,306,397	22,481,941	15,974,777	7,502,722	5
" 19	23,932,216	5,551,717	16,921,754	22,123,554	16,223,516	7,906,816	5
" 26	23,626,660	6,389,183	17,023,547	21,751,954	16,729,262	7,949,597	4½
Oct. 3	24,995,953	6,169,451	17,309,65	22,941,313	16,879,187	7,548,507	4½
" 10	24,586,250	6,266,199	17,454,673	22,149,550	16,475,706	7,494,341	4½
" 17	24,718,769	3,392,984	18,778,523	21,244,486	16,183,363	7,046,828	4½
" 24	24,353,932	3,218,291	18,764,056	20,553,187	16,377,258	7,659,68	4½
" 31	24,436,278	3,921,158	17,589,471	20,078,858	16,723,596	7,9, 3,141	4½
Nov. 7	24,203,592	4,375,714	17,150,191	19,330,391	16,891,606	8,350,276	4
" 14	24,869,584	5,145,772	16,687,127	19,061,238	17,144,607	8,67,762	4
" 21	23,526,425	5,530,843	17,435,349	19,184,781	17,752,914	9,808,599	4
" 28	23,003,209	6,161,157	18,252,795	19,186,008	18,175,570	10,688,820	4
Dec. 5	23,218,411	6,837,733	17,740,867	19,395,744	18,287,044	12,583,869	4
" 12	23,585,003	7,388,241	18,425,551	19,636,741	18,551,470	11,459,675	4
" 19	23,591,312	8,070,235	18,181,066	19,885,202	18,815,714	11,715,229	3½
" 26	24,383,975	8,706,361	18,592,224	20,241,256	19,247,859	12,314,494	3½

The return of the Bank of France also presents many features of interest to the mercantile world, and the particulars for the present year are therefore subjoined. The distrust existing in England shows its effect here in an increase of confidence, and as the reserve of the Bank of England was reduced the bullion in the Bank of France began to increase.

RETURNS OF THE BANK OF FRANCE FOR 1866.

Week ending	Bullion.	Discounts.	Bank rate.	Week ending	Bullion.	Discounts.	Bank rate.
Jan. 4	£16,747,092	£28,899,824	5	July 5	£26,729,505	£30,426,300	4
11	15,942,828	29,672,232	5	12	26,291,640	2,561,180	
18	15,503,172	28,718,454	5	19	25,867,836	28,630,376	3½
25	15,655,124	29,625,324	5	26	27,583,392	27,128,596	3½
Feb. 1	15,716,390	28,805,873	5	Aug. 2	18,275,156	27, 53,328	3½
8	16,224,064	28,173,064	5	9	9,021,000	26,744, 04	3½
15	16,820,044	27,574,608	4	16	29,238,700	25,663,476	3½
22	17,710,856	2,427,424	4	23	29,763,120	24,959,902	3½
Mar. 1	16,975,540	24,606,612	4	30	29,803,776	2,731,744	3
8	18,689,892	23,175,588	4	Sept. 6	28,876,716	4,014,012	3
15	18,906,604	23,223,524	4	13	29,353,724	20,108,000	3
22	19,807,550	21,275,808	3½	20	29,116,776	24,000,068	3
29	20,333,672	21,382,904	3½	27	29,097,504	23,762,264	3
April 5	20,192,955	23,265,792	3½	Oct. 4	28,143,5 2	24,775,3 6	3
1	20,149,028	23,105,164	3½	7	27,348,712	24,924,872	3
19	20,418,272	23,64,806	3½	18	26,618,392	25,391,380	3
26	20,705,952	23,9,3,008	3½	2	26,308,132	25,802,416	3
May 3	21,075,580	25,166,936	3½	Nov. 2	25,614,852	25,822,064	3
10	20,809,932	26,575,392	4	9	25,466,424	26,185,504	3
17	20,585,048	28,002,788	4	16	25,334,340	26,8,075,2	3
24	21,466,104	28,469,352	4	23	25,897,888	25,487,396	3
31	22,523,808	30,438,196	4	30	26,612,880	25,382,340	3
June 7	24,193,128	28,144,512	4	Dec. 6	27,167,984	24,825,088	3
14	24,523,330	25,731,352	4	13	27,704,604	25,081,748	3
21	25,96,908	28,739,336	4	20	28,4,5,24	25,998,360	3
28	25,984,912	29,068,044	4	27	28,550,984	25,793,972	3

The course of the Liverpool cotton market during the year is also of interest in this connection. In great part the effect of the crisis on this staple was anticipate—a dull unsettled trade at Manchester preceding by some weeks these monetary troubles. The direct and immediate result, however, is seen in a decline of about 6d., in the prices of Middling Uplands from April 12 to May 10; while the unsatisfactory state of business at Manchester since that time, which has prevented any decided recovery, may be stated as a more remote effect, but as working the greater injury to the trade. The following table shows the movement for two years, and is so full it needs no explanation :

THE COURSE OF THE LIVERPOOL COTTON MARKET FOR 1865 AND 1866.

	Import.—	Export.—		Consumption.—	Stock.—	Mid. Up'd.—
		1865.	1866.			
From January 1—						
To January 4.....	46,144	67,311	5,337	12,975	35,110	1865.
" 11.....	86,487	118,109	11,510	36,502	10,850	1866.
" 18.....	106,739	18,171	49,627	44,440	67,810	bales.
" 25.....	128,276	248,547	24,328	60,913	70,910	bales.
—February 1.....	165,771	293,664	30,761	76,537	91,270	bales.
" 8.....	227,298	371,477	34,502	101,894	124,360	bales.
" 15.....	271,682	43,433	11,528	14,1480	225,890	bales.
" 22.....	321,086	462,922	48,487	122,284	267,120	bales.
—March	1.....	369,440	56,144	45,758	134,268	1865.
" 8.....	404,476	553,681	51,407	161,018	230,960	bales.
" 15.....	442,008	596,744	56,206	173,210	280,750	bales.
" 22.....	493,161	733,505	61,911	185,298	301,270	bales.
" 29.....	520,831	895,146	67,345	186,101	326,730	bales.
—April	5.....	585,974	1,034,188	73,383	208,675	1866.
" 12.....	6,879	1,099,379	79,161	22,375	381,090	bales.
" 19.....	629,523	1,291,306	85,669	240,563	423,180	bales.
" 26.....	642,301	1,387,166	91,521	23,3964	488,160	bales.
—May	3.....	704,696	1,385,733	10,149	272,652	1865.
" 10.....	763,068	1,534,584	118,428	300,296	559,890	bales.
" 17.....	793,584	1,706,477	137,689	328,717	616,210	bales.
" 24.....	850,074	1,788,731	154,328	383,091	665,440	bales.
" 31.....	892,222	1,831,487	180,620	34,2473	728,250	bales.
—June	7.....	920,874	1,920,135	204,223	352,367	1866.
" 14.....	946,835	2,054,218	234,086	368,693	816,970	bales.
" 21.....	955,256	2,091,113	2,6749	331,814	870,670	bales.
" 28.....	1,014,532	2,139,217	289,424	397,297	875,480	bales.

per lb.

2¹/₂19¹/₂

26

25¹/₂19¹/₂

417,710

24¹/₂19¹/₂

424,460

23¹/₂18¹/₂

418,200

22¹/₂19¹/₂

429,310

22

19¹/₂

442,970

2¹/₂19¹/₂

418,680

18¹/₂

460,860

18

366,750

16

571,110

340,250

16¹/₂

410,470

16

562,783

18¹/₂

663,840

19¹/₂

676,220

18¹/₂

819,390

14¹/₂

575,480

14¹/₂

821,950

14¹/₂

740,320

18¹/₂

531,010

14¹/₂

541,770

14¹/₂

838,570

12¹/₂

506,420

14¹/₂

970,600

14¹/₂

1,005,330

15¹/₂19¹/₂

975,030

16¹/₂

410,100

13¹/₂

998,770

16¹/₂

416,490

14

864,930

14¹/₂

508,420

14¹/₂

944,450

15¹/₂

410,100

13¹/₂

998,770

16¹/₂

353,820

14

1,039,950

14

276,930

14¹/₂

1,042,660

12¹/₂

958,670

13¹/₂

THE COURSE OF THE LIVERPOOL COTTON MARKET FOR 1865 AND 1866.

		Import.		Export.		Consumption.		Stocks.	
		1865.		1866.		1865.		1866.	
		1865.	bales.	1866.	bales.	1865.	bales.	1866.	bales.
From January 1—									
To July 6.....	185.	1,085,987	2,223,006	311,952	415,759	1,207,740	393,390	1,268,230	967,670
" 12.....	1,134,849	2,245,004	328,398	420,567	920,360	1,272,260	361,070	923,100	197
" 19.....	1,155,922	2,266,044	336,771	442,528	968,390	1,317,700	332,700	878,170	194
" 26.....	1,188,125	2,344,820	347,637	460,624	1,000,360	1,373,800	322,390	882,830	194
—August 2.....	1,252,117	2,431,153	356,342	482,851	1,014,820	1,418,610	347,580	902,330	19
" 9.....	1,337,363	2,432,480	367,516	607,790	1,062,740	1,447,980	378,740	898,560	19
" 16.....	1,479,866	2,550,033	384,036	536,012	1,044,810	1,505,210	470,590	883,230	18
" 23.....	1,497,630	2,598,398	391,073	562,675	1,143,920	1,547,780	430,060	865,740	18
" 30.....	1,558,011	2,673,842	403,517	582,928	1,211,410	1,583,800	411,760	880,210	18
—September 6.....	1,691,643	2,701,176	423,619	606,782	1,275,400	1,617,590	361,140	850,050	18
" 13.....	1,718,426	2,754,432	445,987	631,303	1,315,650	1,669,120	427,580	827,570	18
" 20.....	1,743,982	2,884,873	465,255	649,173	1,400,370	1,737,350	349,870	871,960	19
" 27.....	1,768,823	2,916,487	506,182	665,309	1,451,800	1,806,850	261,600	774,480	21
—October 4.....	1,796,043	2,939,557	524,745	679,930	1,551,900	1,884,480	271,960	737,040	24
" 11.....	1,836,190	2,975,896	544,986	719,854	1,597,680	1,935,900	201,970	692,720	24
" 18.....	1,971,946	3,011,247	557,834	745,394	1,632,270	1,980,220	280,370	647,000	23
" 25.....	2,017,324	3,029,037	566,193	763,816	1,647,630	2,015,110	303,099	702,500	22
—November 1.....	2,073,063	3,148,748	580,018	793,722	1,669,710	2,051,260	323,070	665,160	20
" 8.....	2,100,806	3,179,209	594,999	803,442	1,699,580	2,100,180	306,260	630,390	20
" 15.....	2,130,478	3,207,392	618,544	821,391	1,727,680	2,129,160	291,430	618,690	19
" 22.....	2,250,466	3,248,545	620,243	833,776	1,757,450	2,171,950	369,820	604,710	19
" 29.....	2,304,783	3,286,729	630,245	847,201	1,785,550	2,223,490	356,210	578,180	20
—December 6.....	2,346,101	3,305,384	642,222	858,428	1,831,360	2,270,150	339,230	539,230	21
" 13.....	2,418,599	3,334,290	657,192	872,992	1,877,750	2,338,200	348,090	484,320	21
" 20.....	2,476,504	3,368,758	677,330	887,638	1,915,860	2,401,590	352,750	442,230	21
" 27.....	2,539,708	3,409,020	693,096	898,515	1,947,930	2,446,600	368,490	426,750	21

THE NEW ROCKET FOR SHIPWRECK SERVICE.

Some time about the close of the last century an English artillery officer who had risen from the ranks, Lieutenant Bell, conceived the idea of establishing a communication between a stranded vessel and the shore by projecting from a mortar a shell filled with lead, and having a "deep sea line" attached. Experiments were made with the apparatus in 1791, before a committee of the Society for the Encouragement of Arts, Manufactures and Commerce. An account of these experiments, which were perfectly successful, is given in the "Repository of Arts" for 1808. But in spite of this success, Lieutenant Bell failed from some cause or another to give practical effect to his invention, or even to obtain for it any general notoriety. In 1811 a committee of artillery officers was assembled at Woolwich to report on a similar though independent proposal of Captain Manby, and by this committee Lieutenant Bell's claim to priority in the matter was distinctly and fully recognised. But the merit of having been the first usefully to apply the invention and to press it into the public service is undoubtedly due to Capt. Manby, with whose name, indeed, the scheme is too exclusively associated. In the year that we have named (1811) the invention was formally adopted, and an address was moved in the House of Commons praying that the Prince Regent would be graciously pleased to order the apparatus to be stationed on different parts of the coast. This is the origin of our present system of communication with stranded vessels, which is now established at some 350 coastguard stations, and by means of which a very large number of lives are annually saved. What that system is, and how it has attained its present perfection, may have some interest now that the season of stormy nights and wrecks has once again fairly set in.

During the half-century or more which has elapsed since the subject was first mooted, the attention of a number of inventors has been anxiously directed towards the possible improvement of the means of effecting a communication of the kind in question, and all sorts of ingenious contrivances have been proposed. Colonel Delvigne employed for the purpose a howitzer instead of a mortar, thereby reducing the angle of fire and in consequence the length of line to be carried, and he enclosed a portion of the line within the projectile. Captain Jerningham proposed an anchor of a peculiar form, as a means of hauling a life-boat through a surf. Mr. Greener and Mr. Trengrouse each used a rocket to carry the line, the former discharging his rocket from a light harpoon gun, the latter making use of a small, and therefore comparatively feeble, "signal" rocket. Lieutenant Nares suggested the employment of a kite, and kites are manufactured for the purpose by the Shipwrecked Mariners' Society, at London Bridge. A kite is open to the obvious objection that it can only be useful for conveying a line *from* a ship on a lee shore to the land, and as in the confusion and sudden excitement of a wreck the kite would not often be forthcoming in working order, the proposition is scarcely practicable. Other plans have been suggested, such as an arrow, and a lead and line. But the advantages presented by rockets over other means of establishing a communication were so conspicuous as to induce Mr. Carte and Mr. Dennett to prosecute experiments, with a view to the

employment of very much more powerful rockets than those which had been used by Trengrouse. The Carte and Dennett rockets were Congreve or war rockets with lines attached, and differed from one another mainly or only in the position of the stick. Some ten or eleven years ago Dennett's rocket apparatus was formally adopted, and 9-pounder rockets of his construction, having a mean range of about 250 or 260 yards, were issued to various coastguard stations, and a code of rules for their employment was officially established. During this period the gradual suppression of the Manby shot has proceeded, though some are still to be found at a few stations, and they are even occasionally manufactured. During this period, too, the great superiority of rockets to shot, or indeed any other projectile, has been practically established. They are more portable, as also is the apparatus from which they are fired, a point of great importance when the uncertainty as to the exact spot on which a wreck is considered; they carry their own illuminating agent, and are thus independent of the fuses which are necessary to indicate the path of a shot fired on a dark night; they do not require so long a line as a shot projected at a high angle of elevation from a mortar; the nature and duration of the propelling force renders the line carried out by a rocket less liable to be broken than a line carried by a shot; and finally, line rockets are more accurate than line shot, owing principally to the fact that the deflection caused by the action of the wind upon the line is in a great measure corrected by the well-known tendency of the rocket to fly up in the "wind's eye."

The range attained by the Dennett rockets was, however, inconsiderable as compared with what was desired, and Mr. Dennett designed a "double rocket"—two rockets side by side, like a pair of horses in a carriage—by which the line would be borne to a greater distance. In 1862 some experiments took place at Woolwich with Manby's and Delvigne's shot against Dennett's rockets, single and double. "The result," as we learn from the official report, "was a general conviction on the mind of everybody present, and shared by M. Delvigne, of the great superiority over either of the other plans." The Manby and Devigne shot fired from mortars gave ranges of 200 and 185 yards respectively; the single rockets ranged 240 yards, and the double rockets 300 yards, "with great steadiness of flight, and with less length and weight of line in proportion carried out than the mortars fired at 45 degrees." A range of nearly 300 yards was obtained with M. Delvigne's shot from a howitzer, *but the line broke three times.*

Mr. Dennett's double rockets were open to the objections that simultaneous ignition of both rockets could not always be depended upon, and a percentage of failures was the result; secondly, the strain thrown upon the line by the combined force of a pair of rockets was sometimes greater than it was calculated to stand, and fractures of the line not unfrequently took place. With regard to this last objection, it might be supposed that a simple remedy could be found in the employment of a thicker line; but as any increase in the thickness of line entails a corresponding loss of range, its strength is necessarily limited. The satisfaction of these two antagonistic conditions—the extension of the range and the employment at the same time of a sufficiently strong line—is indeed one of the chief difficulties with which the inventor of a "life-saving apparatus" has to

contend. The problem appears to have been solved, and the objections to the Dennett double rocket system to have been overcome, in the rocket which has recently been definitely adopted by the Board of Trade. This rocket has been designed by Colonel Boxer; and its chief feature consists in the placing of one rocket in front of the other, the two being contained in the same case and forming to all appearance a single rocket. By this arrangement when the first or hinder rocket is exhausted the front rocket becomes ignited, and by bringing a fresh force to bear, extends the range nearly double the distance obtainable with a single rocket. At the same time the strain upon the line is at no time greater than what would be due to the employment of a single rocket. In fact, the advantages of the double and single rocket systems are retained without the disadvantages of either; and the problem of a long range with little chance of fracture of the line is satisfactorily solved. The range obtained with these rockets is from 370 to 400 yards. Their cost is little more than one half that of the Dennett double rocket. The reports made by the different coastguard officers to whom the rockets were supplied, in the first instance for experiment, were so favorable that they were last year formally adopted in supersession of Dennett's rocket, and are now being supplied at the rate of 3,000 annually. This rocket is undergoing trial in France, and a rocket of similar construction, designed by Major General Konstantinoff, is employed for the same purpose in Russia.

The main object of line shot and rockets is to establish a communication between the shore and a stranded vessel, but the principle is evidently applicable to a variety of other purposes, such as throwing rafts or bridges across rivers in the absence of boats, throwing suspension bridges across ravines or mountain torrents for the passage of troops and *materiel*; in naval matters it might be useful in landing through a surf, laying out anchors, or taking a vessel in tow by casting a grapnel over a buoy fast to line in heavy weather.

TRADE OF GREAT BRITAIN AND THE UNITED STATES.

COTTON, BREADSTUFFS, TOBACCO, PROVISIONS, ETC.

The British Board of Trade returns for the month of November, and the eleven months ending November, have now been received, and the figures made public show that the trade of Great Britain for last year was very extensive, and much in excess of former periods. This result is, in a very considerable measure, due to the great trade carried on between ourselves and the United Kingdom, for we find that the value of our cotton imported in the ten months was £31,250,000, against £2,534,000; and the value of the exports of British and Irish produce and manufactures from Great Britain to United States ports £24,225,000, against £14,844,700 last year. These items alone account for some portion of the great increase in the trade of Great Britain last year, and on looking carefully at the returns we observe that, with South America and Canada, the outward trade of the United Kingdom has also been very great. The crisis appears to have had a somewhat unwholesome effect on the trade of Great

Britain with her colonies and possessions in Asia. Towards the close of the year, however, the transactions were on a more extensive scale, and the total exports to India, China and Australia in the first eleven months of 1866 were somewhat in excess of 1865 and 1864.

The declared value of the exports of British and Irish produce and manufactures from Great Britain in November last was £15,080,430, against £15,567,742 last year, and £12,065,213 in 1864. These amounts raise the totals for the eleven months to £173,913,222, £150,832,344, and £148,340,865 in 1866, 1865 and 1864 respectively. The totals for each month in each of the last three years are subjoined:

	1864. £	1865. £	1866. £	1864. £	1865. £	1866. £
Jan.....	10,413,586	10,489,330	14,354,748	July.....	14,394,364	14,113,410
Feb.....	12,698,121	11,376,214	15,116,063	Aug.....	16,274,269	14,158,648
Mar.....	13,555,674	13,730,154	17,520,354	Sept.....	14,687,942	17,316,681
April.....	13,225,039	12,071,111	15,366,414	Oct.....	12,871,491	15,547,225
May.....	14,176,640	13,194,738	15,870,131	Nov.....	12,065,213	15,567,742
June.....	13,978,536	13,227,062	14,630,120	Total.....	148,340,865	150,832,344
						173,913,222

With regard to this country, we find that the exports in the first ten months of the last three years were as under:

	1864.	1865.	1866.
To Atlantic ports, Northern.....	£11,498,780	£14,252,741	£22,487,669
" Southern	87,819	199,615	1,073,414
Pacific ports	816,418	392,348	663,718
Total	£15,408,017	£14,844,704	£24,224,766

The computed real value of the principal articles imported in October was £19,530,442, against £23,606,789 in 1865, and £20,309,746 in 1864. For the ten months, the total for 1866 is £193,698,047; for 1865, £160,909,954; and for 1864, £181,283,856. Annexed are the particulars for each month:

	1864. £	1865. £	1866. £	1864. £	1865. £	1866. £
Jan.....	7,520,356	6,398,923	9,847,564	July.....	20,453,253	18,964,190
Feb.....	18,214,541	12,891,252	16,610,159	Aug.....	21,944,048	20,997,691
Mar.....	16,396,928	13,005,394	19,891,204	Sept.....	19,961,683	21,632,731
Apr.....	17,587,565	13,078,755	22,455,968	Oct.....	20,309,716	23,606,789
May.....	22,392,601	14,595,384	23,224,762	Total.....	181,283,856	160,909,954
June.....	21,498,185	15,407,688	23,243,701			193,698,047

COTTON.

The import of cotton into the United Kingdom in November amounted to 645,227 cwts., of which 126,001 cwts. were from the United States, 425,743 cwts. from the East Indies, and 17,533 cwts. from Brazil. The total received in the corresponding month in 1865 was 630,588 cwts., and in 1864, 621,100 cwts. The 11 months' importation was 11,255,498 cwts., against 6,946,153 cwts. in 1865, and 6,767,896 cwts. in 1864, of which the following are the particulars:

From	United States.....	cwts.	1864.	1865.	1866.
Bahamas and Bermudas.....		329,990	119,095	433,773	4,235,961
Mexico.....		198,046	321,213	6,714	3,145
Brazil.....		288,380	390,798	564,082	
Turkey.....		153,637	186,573	84,430	
Egypt.....		912,227	1,328,092	814,885	
British India.....		3,784,562	3,422,830	5,229,977	
China.....		691,594	315,836	44,784	
Other countries.....		290,365	388,431	271,520	
Total.....		6,767,896	6,946,153	11,255,498	

But from these totals, a considerable deduction must be made for exports. These, in the eleven months, reached a total of 3,221,690 cwts., being 970,000 cwts. in excess of the corresponding period in 1865. In the month of November, however, the shipments from Great Britain were confined to 189,240 cwts., against 212,103 cwts. in 1865. Figures, showing the shipments in the eleven months ending November 30, are annexed :

EXPORTS OF COTTON FROM THE UNITED KINGDOM IN ELEVEN MONTHS

		1864.	1865.	1866.
To Russia.....	cwts	222,346	276,013	379,260
Prussia.....		15,141	44,074	77,177
Hanover.....		49,663	14,688	5,618
Hanse Towns		491,786	606,703	782,725
Holland.....		401,821	382,464	503,978
Other Countries.....		882,021	1,077,617	1,402,923
Total.....		2,052,778	2,398,559	3,221,690

The computed real value of the cotton imported in the ten months ending October 30 was :

		1864.	1865.	1866.
From United States		£1,604,378	£2,534,992	£31,251,466
Bahamas and Bermudas.....		3,924,267	1,379,338	46,816
Mexico		2,428,003	2,599,739	28,591
Brazil.....		3,650,451	2,935,654	4,349,252
Turkey		1,575,791	919,099	517,354
Egypt.....		11,438,506	10,516,019	7,065,017
British India.....		29,183,930	18,555,442	22,030,060
China.....		5,174,553	1,509,235	151,281
Other countries.....		3,119,081	2,920,046	1,736,138
Total.....		£62,098,915	£43,899,564	£67,175,970

BREADSTUFFS.

So far as we ourselves are concerned, the British trade returns are by no means encouraging in this department. In November, the import of Wheat from the United States was only 35,153 cwts., and of Flour only 23,834 cwts. Flour continues to be received from France, including small quantities of Wheat; but the bulk of the importations is from Russia. The following statement shews the imports of cereals into the United Kingdom in eleven months :

WHEAT.

		1864.	1865.	1866.
From Russia.....	cwts	4,711,510	7,127,624	7,765,207
Prussia.....		4,582,982	5,034,306	3,776,641
Denmark.....		710,131	603,691	431,577
Schleswig, Holstein, & Lauenburg.....		249,113	250,782	160,545
Mecklenburg.....		620,498	603,582	688,232
Hanse Towns		484,288	458,693	765,617
France.....		554,497	1,663,502	3,354,594
Turkey, Wallachia, and Moldavia.....		445,966	562,541	426,494
Egypt.....		366,870	10,063	32,643
United States.....		7,836,020	1,016,531	475,443
British North America.....		1,164,637	294,316	8,739
Other Countries.....		406,579	931,651	2,661,266
Total.....		22,143,081	18,557,281	20,547,088
Barley		4,544,323	7,099,945	7,053,423
Oats		4,979,896	6,987,608	8,017,291
Peas		1,041,897	581,368	1,008,937
Beans		842,337	896,771	1,017,534
Indian corn		5,695,627	6,223,446	13,936,499

FLOUR.

	cwts	1864.	1865.	1866.
From Hanse Towns	307,37	322,889	277,754	
France	1,659,504	2,856,943	3,380,582	
United States	1,77,417	236,536	249,418	
British North America	472,760	166,663	32,393	
Other Countries	113,257	156,070	462,986	
Total.....	4,290,314	3,139,091	4,403,133	

For some time past there has been an attempt in England to create excitement in the corn trade by spreading reports that large quantities of wheat were being taken by French buyers. Our London correspondent has, on several occasions, stated that these reports were wholly without foundation truth, and the return showing the exports of breadstuffs from Great Britain confirm the truth of those observations. Several cargoes have, indeed, been taken from off the coast, but the aggregate export is small. The following statement shows the export of foreign and colonial wheat in the eleven months:

	cwts.	1864.	1865.	1866.
Wheat.....	40,748	29,513	46,813	
Flour.....	38,603	20,250	18,015	

in addition to which about 200,000 cwts. of English wheat and flour have been shipped to all quarters.

PROVISIONS.

The supply of pigs in England is much larger than in former years, and fresh pork is selling at low prices. Butter, bacon, hams, lard and most other provisions still command high quotations. The imports in eleven months were :

	1864.	1865.	1866.
Bacon and hams, cwts.....	990,758	624,974	598,283
Beef, salt, cwts.....	270,275	198,406	161,513
Pork, salt, cwts.....	180,016	145,271	155,875
Butter, cwts..	888,589	137,776	982,646
Cheese, cwts.....	673,853	731,677	698,257
Eggs, number	307,461,728	340,909,300	407,861,280
Lard, cwts.....	203,74	107,635	222,105

LIVE STOCK.

The cattle plague having broken out afresh in several parts of the country, much anxiety is still felt in Great Britain with regard to the supply of butchers' meat. The supply in the country, however, has decidedly increased; but meat, though below the recent high rates, is still a dear commodity. The Government orders relating to the cattle traffic of the kingdom are still in force, and are likely to remain so for some time to come. Several ports in Holland are still prohibited from sending stock to the British markets, owing to the existence of the plague in that country. The following are the imports of live stock in eleven months:

	1864.	1865.	1866.
Oxen, bulls and cows.....	head 141,778	196,030	196,135
Calves.....	44,678	48,926	27,081
Sheep and lambs.....	412,469	763,084	762,620
Swine and hogs.....	68,777	117,766	71,083

EXPORTS OF BRITISH AND IRISH PRODUCE AND MANUFACTURES.

The following statement shows the exports of all the principal articles of British manufacture to the United States in the eleven months ending Nov. 30:

	1864.	1865.	1866.
Alkali.....	£346,771	£419,399	£900,886
Beer and ale.....	40,478	47,270	70,789
Coals.....	126,849	104,974	82,042
COTTON MANUFACTURES—			
Piece goods.....	1,632,685	2,414,200	2,867,557
Thread.....	179,495	169,701	188,521
Earthenware and porcelain.....	280,413	401,079	731,424
Haberdashery and millinery.....	745,514	809,810	1,053,140
HARDWARES AND CUTLERY—			
Knives, forks, &c.....	111,097	142,938	284,890
Anvils, vices, &c.....	85,163	86,648	95,99
Manufactures of German silver, &c.....	254,163	312,388	664,757
LINEN MANUFACTURES—			
Piece goods.....	2,308,847	3,097,554	3,837,513
Thread.....	176,661	133,339	214,358
METALS—			
Iron—Pig, &c.....	209,917	350,800	341,756
Bar, &c.....	703,601	200,346	534,300
Railroad.....	80,067	387,874	735,541
Castings.....	14,073	4,811	18,251
Hoops, sheets and boiler plates.....	218,170	93,979	316,629
Wrought.....	244,813	146,667	207,737
Steel—Unwrought.....	462,947	309,193	621,706
Copper, wrought.....	14,983	38,248	42,398
Lead, pig.....	281,82	140,54	168,993
Tin plates.....	627,618	865,957	1,362,629
Oilseed.....	47,074	53,885	354,606
Salt.....	34,506	59,828	103,102
SILK MANUFACTURES—			
Broad piece goods.....	73,349	67,015	121,464
Handkerchiefs, scarfs, &c.....	17,270	2,907	8,012
Ribbons of silk only.....	28,183	36,942	34,042
Other articles of silk only.....	75,459	108,518	94,341
Other articles mixed with other materials.....	37,567	41,093	78,108
Spirits, British.....			
Wool	11,079	14,7-9	17,913
Wool	37,342	19,410	13,700
WOOLEN AND WORSTED MANUFACTURES—			
Woolen cloth.....	699,528	484,618	863,703
Carpets and drapery.....	278,601	329,597	759,041
Shawls, rugs, &c.....	61,309	29,731	43,149
Worsted stuffs of wool, and of wool mixed with other material.....	2,006,970	3,221,240	3,371,421

TOBACCO.

The imports, consumption and exports of tobacco in the eleven months were :

	IMPORT.	1864.	1865.	1866.
Stemmed.....	lbs.	6,752,955	12,534,054	14,409,537
Unstemmed.....		31,388,188	35,840,526	23,576,043
Manufactured and snuff.....		5,892,790	2,265,274	2,706,540

CONSUMPTION.

Stemmed.....	lbs.	11,888,028	11,156,886	12,876,989
Unstemmed.....		22,356,361	23,998,260	23,929,697
Manufactured and snuff.....		705,353	763,054	814,410

EXPORTS.

Stemmed.....	lbs.	743,975	288,549	593,742
Unstemmed.....		11,781,486	14,977,768	13,806,594
Manufactured and snuff.....		3,118,655	1,364,517	1,906,342

[February,

MOBILE AND OHIO RAILROAD.

The last reports issued by the officers of this company were for the year 1865. Although the figures are not as recent as we could desire, still they supply the materials from which we may form a just estimate of the condition of the company and their property.

The fiscal year 1865 is divided into two parts by the 15th of May, on which date Confederate money ceased to be current, and was supplanted by the National currency. The following shows the earnings and expences of the periods separately, and the totals for the full year as compared with the year 1865:

Earnings.	Before May 15.	After May 15.	Total 1865.	Total 1864.
From passengers.....	\$224,946 74	\$425,306 93	\$660,273 67	\$1,548,870 03
Freight.....	279,506 31	894,541 38	1,174,047 69	2,013,794 23
Express.....	10,356 26	89,127 90	99,484 25	72,678 82
Other earnings (unpaid).....	668,391 11	105,699 51	774,090 62	39,155 89
Total.....	\$1,183,220 42	\$1,524,676 81	\$2,707,896 23	\$3,674,498 99
Disbursements.				
Fo: repairs of road.....	\$315,813 10	\$216,247 22	\$532,060 32	\$637,195 25
" machinery.....	200,616 55	196,039 70	396,656 25	471,810 45
For conduct'g transp'n.....	390,254 19	287,611 22	677,865 41	1,172,590 68
Total disbursements.....	\$906,683 84	\$699,898 14	\$1,606,581 98	\$2,281,596 38
Net revenue.....	\$276,536 58	\$84,777 67	\$1,101,314 25	\$1,392,902 61

The "other earnings" are accounted for as follows: Those prior to May 15 are a legacy from the Confederate Government for transportation and mails, and those after May 15 for express \$13,699 51, and accounts against the United States Government (unadjusted and estimated) \$92,000.

The Mobile and Ohio Railroad extends from Mobile northward through Alabama 63 miles, Mississippi 270 miles, Tennessee 118½ miles, and Kentucky 20½ miles, or from Mobile, Ala., to Columbus, Ky., a distance of 472 miles, with a branch to Columbus, Miss., 14 miles—making the total length of its track 484 miles. Its earnings from May 15 to December 31, (of 7½ months,) as above shown, were \$1,524,677, or at the rate of \$2,439.543, or \$5,040 per mile per annum. The cost of operating the road for the last 7½ months of 1865 was (as above) \$699,898, or at the rate of \$1,019,826 or \$2,107 per mile per annum; showing net \$2,933 per mile, or 58.2 per cent. of the gross earnings.

These earnings, however, were not available for dividends, and only to a small amount for interest, but were diverted to the restoration and repairs of the road and machinery. Between May 1, 1865, and January 1, 1866, there was expended in this direction a very large amount as will be shown in the general revenue account of which the following is an abstract:

ABSTRACT OF RECEIPTS AND EXPENDITURES.

(From May 1, 1865 to January 1, 1866.)

RECEIPTS.		DISBURSEMENTS.
Capital Stock.....	\$27,100 00	Reconstruction of Roadwy'
Transport ion.....	1,324,846 83	" of Depots.....
Sales of Cotton.....	61,176 43	Rolling Stock purchases.....
Machinery, balance due.....	129,227 58	Materials.....
Interest Scip.....	716 69	Interest on bonds.....
Local balances.....	38,018 57	Transportation.....
		Expenses on cotton.....
		Change Bills redeemed.....
		Interest Dividend.....
		Sundries.....
		Cash on hand.....
Total.....	\$1,981,086 05	Total.....

The Mobile and Ohio Railroad is a new road and was completed as a through line just as our Southern troubles commenced. The last rail was laid April 1, 1861, the same day that the federal forces arrived at and occupied Cairo. From that date trains were run regularly through, and the through business would no doubt have been large, but the embarrassment resulting from the examination of passengers, baggage and freight for contraband articles, gradually reduced it, until it was entirely stopped by the occupation of Columbus by the Confederate forces. From that time to the close of the war the road was virtually operated under the direction of the Confederate authorities. The destruction which necessarily resulted to the rolling stock and roadway from the contending armies and repeated raids, and from the natural wear and tear—accelerated by the impossibility of obtaining the supplies necessary for repairs—may be stated as follows:

	January 1, 1860				May 1, 1865			
	<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>
Locomotives.....	59	8	..	1	15	4	33	8
Passenger cars.....	26	1	..	..	11	7	..	..
Baggage cars.....	11	..	..	..	3	2	..	..
Freight cars.....	721	62	..	..	281	58	..	..

The letters *a b c d* refer to the condition of the rolling stock at date—*a* indicates "in running order"; *b* "under repairs"; *c* "out of order but good", and *d* "exploded and condemned."

The damage to the roadway consisted in the destruction of the bridges, trestle-work and cross-ties from Okolona to Union City, a length of 184 miles; the burning of 19 warehouses and station buildings; the destruction of tools and stationary engine in the Whistler repair shops, at the evacuation of Mobile, and the wearing out and burning of 37 miles of rails. In addition to this, there were 21 miles of rails burnt on General Sherman's raid, in February, 1864, besides the destruction of the warehouses, water stations, bridges and trestle-work on 48 miles of road, &c.

At the close of the war the road was in fair running condition from Mobile to Okolona, and passable for trains to Corinth, but there were only 15 locomotives, 231 freight and 11 passenger cars to operate it. The Government, however, had a large quantity of rolling stock at Nashville, Memphis and Columbus, &c., which they decided to dispose of. The company took advantage of the opportunity thus offered, and made such purchases that, on the 1st of April, 1866, they had on hand as follows:

Locomotives—in order 40, under repairs 13, out of order 33, and exploded and condemned 8.
 Passenger and second class cars—in order 30, and under repairs 4.
 Freight cars—in order 471, and under repairs 25.

Materials had also been ordered for 100 platform and 50 box cars, and their construction been commenced at the Whistler repair shops.

The total estimated damage and loss to the company by the war is summed up thus:

Damage to the road by the war.....	\$1,810,937
Loss by the failure of the Confederates.....	5,238,561
Total.....	\$7,038,498

The last item consists chiefly of ledger balances and unadjusted claims

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against the Confederate Government, and the possession at the last of large amounts of Confederate bonds and currency.

The financial condition of the company on the 1st of May, 1866, as exhibited on the general balance sheet, is summed up as follows:

RECEIPTS.	EXPENDITURES.
Capital stock..... \$3,588,299 85	Construction and rolling stock.. \$11,947,563 83
Bonds and State loans..... 7,661,831 01	Donated lands, surveys, &c..... 27,427 50
Land sales..... 275,952 38	Bonds and State loans paid off .. 2,823,984 82
Transportation from commencement..... 15,860,896 83	Interest paid..... 2,433,974 54
Requisitions—am't outstanding..... 63,419 42	Paducah Branch superstructure. 114,894 08
Bills payable..... 642,656 89	Transportation..... 8,448,107 60
Individual balances..... 87,900 79	Dividend..... 142,932 00
Local balances..... 226,456 96	Sundries 3,671,529 70
Total..... \$28,410,414 07	Total..... \$28,410,414 07

Among the sundries are comprised large amounts of Confederate bonds, and dues from the C. G., also \$739,829 the cost of purchased cotton, &c., &c. The following is a statement of the condition of the bonded debt of the company on December 31, 1865:

Description.	Payable at	Total issue.	Unsold.	Red'm'd.	Outst'g.
8's, Income bonds of 1861.....	N. Y. & Mob.	\$1,000,000	\$142,400	\$711,400	\$146,200
8's, " 1862.....	Mobile.	500,000	90,000	319,000	91,000
8's, " 1865.....	"	1,000,000	525,400	168,800	305,800
8's, " 1867.....	"	500,000	217,800	53,200	228,900
8's, " (10 years).....	"	126,062	....	50,719	75,343
8's, Sterling bonds of 1882.....	"	6,000,000	1,818,000	....	4,187,000
6's, " 1882.....	London.	1,296,000	197,000	....	1,099,000
6's, Tenn. State b'ds of 1882.....	New York.	1,296,000	197,000	....	1,099,000
Total amount.....		10,422,062	2,985,700	1,703,119	6,133,243

From this it would appear that that largest portion of the 8 per cent. income bonds have become due. The only mention of these, and the debt generally in the President's report is in the following words, which we transfer verbatim:

Our 8 per cent. income bonds, secured by collaterals, having matured, we propose to the holders to exchange sterling bonds for them *at par*. This proposition has been readily accepted, and a large portion of those bonds have been taken up by exchange, and the remainder are coming in rapidly.

The coupons on our sterling bonds held in this country not having been paid during the war, because the holders were unwilling to receive the only currency that could be had, we proposed to them to *fund* the matured coupons, including the two coupons that will fall due this year (1866,) giving them 8 per cent ten-year dollar bonds, called "interest bonds," counting each coupon taken off of sterling bonds at \$40. Said "interest bonds" to be secured by collaterals, making them perfectly safe; the first coupon to be payable the 1st of May, 1867.

The financial plan here intimated is the *funding of coupons* now matured and that will mature this year, and the resumption of payment of interest on the 1st of May, 1867.

The coupons are coming in rapidly, and this proposition also seems to give general satisfaction.

NATIONAL FINANCES—RANDALL'S BILL.

LETTER FROM HONORABLE E. G. SPAULDING.

DEAR SIR: I am much obliged for the information contained in your letter, and I trust you will pardon me for the remarks I am about to make.

I have watched with a good deal of interest the various plans brought forward in Congress in relation to the National Finances and Amendments to the National Banking Law. Every business man in the country is on the look out to see what is to come next. Every one engaged in legitimate pursuits wants a fixed policy and steadiness in financial affairs, and yet all are under constant apprehensions, fearing that some scheme will be hastily passed by Congress which will derange monetary affairs, and upset all their business calculations. Many enterprises are postponed. The building of railroads, ships, warehouses, elevators, furnaces, and other manufacturing establishments are held in abeyance until it can be more clearly seen what is to be done with these schemes, and what is to be the future in regard to financial affairs.

It is obvious that this suspense and apprehension operates very unfavorably upon individuals as well as upon the revenues of the government. Congress in its official capacity has thus far acted wisely. It has not passed any of the individual schemes that have been brought forward. It has been content to "let well enough alone." It has refused to increase the national currency above \$300,000,000. It has not passed Mr. Randall's grand scheme of repudiating the faith of the Government with the National Banks, and turning the Treasury Department, in time of peace, into a great permanent machine for the issue of an irredeemable paper currency, when there is not the least necessity for it, and when all history proves it to be unwise as tending to retard the resumption of specie payments, and resulting in general financial disaster, bankruptcy and ruin, both to the Government and people. It has refused to pass the twenty pages of pending amendments to the National Bank Act, (House bill No. 771,) which, if passed, would make the law worse instead of better. In short, the Senate and House, as legislative bodies, have submitted to the introduction of these injudicious measures to be talked about, but as yet they have not been unwise enough to let any of them be passed into laws to further disturb existing arrangements under laws already passed, and which, up to the time of the meeting of Congress were operating very favorably, under a moderate contraction of the currency, in preserving a good degree of steadiness and uniformity in the money market, keeping business steady and prosperous, and enabling the Secretary of the Treasury to establish more certainly the public credit at home and abroad, and make a most favorable exhibit of the national debt. These are matters of great consequence to the welfare of the nation, and I sincerely hope that no hasty or indiscreet measures will be allowed to pass. The people of the country need rest, and in order to secure it I trust that Congress will hold a steady purpose, and not pass laws at one session to be repealed in the next. We are cursed with too much legislation, and I am gratified to see the present Congress holding back on all impracticable schemes.

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The act of Congress passed on the 12th of April last, it seems to me, is a wise and judicious measure. It authorizes the Secretary of the Treasury to dispose of 5-20 gold bonds, and with the proceeds to retire six per cent. compound interest notes and the plain legal tender greenback currency and other indebtedness of the Government, but not to retire more than \$4,000,000 of greenbacks a month, or \$48,000,000 a year, but without restriction as to the amount of compound sixes that may be retired during any week or month. This law is discretionary with the Secretary of the Treasury. Power is given him to contract the currency, but he will no doubt use this discretionary power prudently, and not retire either greenbacks or compounds any faster than it can be done without materially disturbing the legitimate business of the country. His object will be in the future, as it has been during the past year, to keep a steady and uniform money market. This will be a necessity on his part to enable him to successfully carry on the fiscal affairs of the Government. Under a very stringent and panicky money market the 5-20 bonds would fall below par, thereby stopping conversion of 7-30s into the 5-20 bonds, and this in view of \$650,000,000 of 7-30s falling due between this and July 15, 1868, would embarrass and derange all the operations of the Treasury Department. The Secretary of the Treasury must therefore of necessity be moderate and discreet in contracting the currency under the law of the 12th of April.

The Secretary will, no doubt, by a moderate and prudent course of contraction, endeavor to keep the business and industry of the nation in a prosperous condition, in some degree check wild speculation, gradually reduce prices, and bring greenbacks and national currency near the specie standard. On this point the Secretary, in his last annual report, makes the following judicious remarks: "How rapidly the United States notes may be retired, must depend upon the effect which contraction may have upon business and industry, and can be better determined as the work progresses. No determinate scale of reduction would, in the present condition of affairs, be advisable. The policy of contracting the circulation of Government notes should be definitely and unchangeably established, and the process should go on just as rapidly as possible without producing a financial crisis, or seriously embarrassing those branches of industry and trade upon which our revenues are dependent." As the volume of currency is reduced it will increase in value, and as soon as the specie standard is reached the national banks will be obliged to redeem their circulating notes in specie. The Government can retire, whenever it seems best, from the field as an issuer of paper currency, and consequently will not be under the necessity of providing gold and silver to redeem it. The burden of redeeming the national currency in gold and silver will then be thrown exclusively upon the banks that issue it, and they will be required to keep the necessary reserves of coin for that purpose.

It seems to me that the act of the 12th of April contains all the power for contracting the currency which is necessary to bring the business of the country back to the specie standard, as it was before the rebellion. It may take three years, five years, or even ten years to accomplish that result. When the old uniform standard of gold and silver is reached, and prices and the business of the country are again based thereon, National Banks will take the place of the State Banks in the issue, cir-

culation and redemption of the currency necessary to carry on the fiscal affairs of the Government and people. The Treasury Department will be relieved from a duty that was forced upon it as an imperative necessity during the war, and the Government left to perform its legitimate functions under the Constitution, the currency being thereafter regulated by the wants of trade and industrial pursuits.

It was never intended by the originators of the legal-tender acts that the issue of an irredeemable paper currency should ever become the permanent policy of the Government. In the opening speech I made in the House on the 28th of January, 1862, on the bill introduced by me, I said that "the bill before us is a war measure; a measure of necessity and not of choice, presented by the Committee of Ways and Means to meet the most pressing demands upon the Treasury, to sustain the army and navy until they can make a vigorous advance upon the traitors and crush out the rebellion. These are extraordinary times, and extraordinary measures must be resorted to in order to save our Government and preserve our nationality."

The credit of the Government, by the legal-tender act, was brought into immediate requisition, and in the most available form to provide ways and means for sustaining the army and navy to crush the rebellion. It was in effect a forced loan from the people to the Government, in a most perilous period in our history, and was justified mainly on the ground of imperative necessity. It was a temporary measure passed in a most pressing exigency, and should not be continued any longer after peace is restored, than seems to be necessary to conduct us safely back to that standard of value which is recognized by all the nations of the world.

In the speech to which I have above referred, I further said: "A suspension of specie payments is greatly to be deplored, but it is not a fatal step in an exigency like the present. The British Government and the Bank of England remained under suspension of specie payments from 1797 to 1821-2—a period of twenty-five years. Gold is not as valuable as are the productions of the farmer and mechanic, for it is not as indispensable as are food and raiment. Our army and navy must have what is more valuable to them than gold or silver—they must have food, clothing and the material of war. Treasury notes issued by the Government on the faith of the whole people will purchase these indispensable articles, and the war can be prosecuted until we can enforce obedience to the Constitution and laws, and an honorable peace be thereby secured. This being accomplished, I will be among the first to advocate a speedy return to specie payments, and all measures that are calculated to preserve the honor and dignity of the Government in time of peace, and which I regret are not practicable in the prosecution of this war."

The National Banking Law, passed to continue for twenty years, was intended as a permanent system. It was intended that it should take the place of the State Banks, in furnishing a solvent national currency of uniform similitude and value for the whole country. The arguments put forth in the last annual report of yourself and the Secretary of the Treasury, in favor of sustaining the National Bank currency, seem to me to be cogent and conclusive. I advocated the National Bank Law, not for any immediate relief it would give to the Treasury, but as a permanent system of currency and banking. In the remarks which I made in

the House on the day of the passage of the bill, I said, "that I should vote for it, not that I think it will afford any considerable relief to the Treasury in the next two or three years, but because I regard it as the commencement of a permanent system for providing a national currency that will, if wisely administered, be of great benefit to the people, and a reliable support to the Government in the future."

All the advocates of the Legal-Tender Act while it was pending in Congress, based their arguments upon the necessity of its passage as a temporary relief to the Treasury during the war, and not as a permanent policy of the Government. On the contrary, the National Banking Law was advocated as a permanent system of national currency and banking for the whole country. The State banks, in this and other states, especially the banks in the State of New York, gave up their State organizations with great reluctance. But in consequence of the law which taxed State circulation out of existence, the State Banks were obliged to come under the National Banking Law for self-preservation—a law which on its face was to continue for twenty years.

It has taken something over three years to put in successful operation about 1,650 National Banks under one system, and which are directly under the control and regulations of the officers of the Government at Washington. A few of the banks have but recently perfected their organizations and obtained from the Department their circulating notes. Before the ink is fairly dry on the last issue of National Currency we are startled with a bill reported from the Bank Committee in the House to emasculate and destroy this system of national banking. I say destroy it, for no man at all conversant with the advantages of private banking and its freedom from taxation and other restrictions, would consider it any inducement to remain under the inquisitorial supervision imposed by the National Banking Law, if the right to issue circulating notes is taken away from them. These banks have been organized in good faith by the stockholders under the national law, because, in the first place, State Bank circulation was killed by United States taxation, and in the next place great inducements were held out to them for a national circulation to continue twenty years. What a breach of faith on the part of the Government in holding out inducements to organize under this law, killing off the State Banks first, and then turning a short corner to kill off the National Banks, children of its own creation. Are all the rights which the stockholders of the banks have acquired under this law to be thus summarily disposed of? How many banks would have organized under this law if the stockholders had supposed that their rights to issue circulating notes would be taken away from them as soon as they were organized? Not one in a hundred, for the simple reason that there would be no inducement to come under the restraints of the national law without circulation.

It is said that these banks can continue to do business on their capital and deposits. This is no doubt true; but it could be much better carried on by the stockholders as private bankers, without the onerous taxation and restrictions imposed by the national law. The organization of State and private banks would be much better, larger latitude being given to operate, and much freer from inquisitorial examinations.

If this bill now pending in the House is passed and becomes a law, it

will pretty effectually use up the national banking system. It has taken about four years to build it up, and within three years it will be so far destroyed as to make it no object for stockholders that can organize into private banking companies to remain in the emasculated and restricted condition in which they will be placed.

What security can men have for investing their money and basing their business calculations under a national law? The insecurity and scandal that will attach to such hasty and inconsiderate legislation will deter all prudent men from placing too much reliance upon a law of Congress passed at one session, organizing a great system of national policy, to be emasculated or repealed before it gets fairly into operation. It looks too much like confiscating the property of individuals under the pretence of creating a sinking fund to pay off the national debt.

I hope the Senate and House will carefully consider this measure in all its bearings before they pass a law involving such important consequences in regard to its breach of faith in destroying the acquired rights of the stockholders in these banks, and the disastrous consequences likely to follow the issue of Government paper money as a permanent policy.

Yours very truly,

E. G. SPAULDING.

To HON. H. R. HUBBARD,

Comptroller of the National Currency, Washington.

BUFFALO, Jan. 28, 1867.

RAILROAD EARNINGS FOR DECEMBER AND THE YEAR.

The gross earnings of the specified railroads for the month of December 1865 and 1866 comparatively, and the difference (increase or decrease) between two periods, are exhibited in the following statement:

Railroads.	1865.	1866.	Difference.
Atlantic & Great Western.....	\$475,723	\$368,581	Dec. \$107,143
Chicago and Alton.....	236,824	285,413	Inc. 48,589
Chicago and Great Eastern.....	89,564	102,958	Inc. 13,394
Chicago and Northwestern.....	616,236	698,679	Inc. 82,443
Chicago, Rock Island & Pacific.....	231,731	232,450	Inc. 719
Erie (including Buffalo Division, but not in 1866, incl. Can. & Erie RR).....	1,594,916	1,044,083	Dec. 480,883
Illinois Central.....	518,088	530,000	Inc. 11,912
Marietta and Cincinnati.....	105,767	111,665	Dec. 5,898
Michigan Central.....	328,869	308,649	Dec. 20,220
Michigan Southern.....	356,912	339,447	Dec. 17,465
Milwaukee & Prairie du Chien.....	110,064	98,787	Dec. 11,277
Milwaukee and St. Paul.....	171,125	128,741	Dec. 42,384
Ohio and Mississippi.....	284,319	268,261	Dec. 16,058
Pittsburg, Ft. Wayne and Chicago.....	580,963	550,483	Dec. 30,480
Toledo, Wabash and Western.....	247,023	264,741	Inc. 17,718
Total (16 roads).....	\$5,878,124	\$5,332,890	Dec. \$545,234

With exception of the Illinois Central and the Ohio & Mississippi, the above figures are official; for the two excepted roads the earnings for 1866, are only approximate, but based on semi-official information. The results for 1866 as compared with 1865 show an aggregate decrease to an unusual amount, and compared with the figures for November as follows:

	1865.	1866.	Difference.
November.....	\$7,541,521	\$7,320,068	Decrease.... \$21,453
December.....	5,878,124	5,332,890	Decrease.... 545,234
Decrease.....	\$1,663,397	\$1,997,178	Decrease.... \$333,781

This decrease is larger than was anticipated, and can only be attributed to the usual dulness that characterized the business of the country throughout the last month of the year.

The gross earnings of the same railroads for the twelve months ending Dec. 31, 1866, are shown in the following table:

Railroads.	1865.	1866.	Difference.
Atlantic & Great Western.....	\$5,476,276	\$5,548,350	Inc. \$72,083
Chicago & Alton.....	3,840,091	3,677,795	Dec. 162,296
Chicago and Great Eastern.....	1,103,876	1,289,710	Inc. 185,834
Chicago & Northwestern*.....	7,960,981	9,088,994	Inc. 1,128,013
Chicago, Rock Island & Pacific*.....	3,313,514	3,478,325	Inc. 164,811
Erie (incl. Buffalo Division, but not since Oct. 1, Can. & Elmira RR).....	16,501,063	14,586,943	Dec. 1,914,120
Illinois Central.....	7,181,208	6,430,195	Dec. 751,013
Marietta & Cincinnati.....	1,222,017	1,186,808	Dec. 35,209
Michigan Central.....	4,501,546	4,260,125	Dec. 24,421
Michigan Southern.....	4,926,722	4,643,422	Dec. 183,300
Milwaukee & Prairie du Chien.....	1,985,712	2,012,700	Inc. 26,988
Milwaukee and St. Paul.....	2,535,001	2,544,010	Inc. 8,999
Ohio and Mississippi.....	3,793,005	3,367,228	Dec. 425,777
Pittsburg, Fort Wayne & Chicago.....	8,489,062	7,454,006	Dec. 1,035,056
Toledo, Wabash and Western*.....	2,926,678	3,694,975	Inc. 768,397
Western Union*.....	689,383	814,036	Inc. 124,653
Total (16 roads).....	\$76,349,135	\$74,077,621	Dec. \$2,270,514

Here also is an unlooked-for result, and one that will surprise the most accurate observer. The decrease from 1865, which year certainly had a considerable amount of government or military business, is only \$2,270,514, or 3 per cent. But it must be kept in mind that several of the above named roads (those marked thus *) have operated an increased mileage in 1866, and through this increase much of the military traffic of 1865 has been counterbalanced in the aggregate of the year 1866. On the whole, we may say that the railroad interest generally has not been unprosperous, and the business done on railroads, being a reflex of the business of the country, the returns above given are, to say the least, satisfactory.

NEW ORLEANS, JACKSON AND GREAT NORTHERN RAILROAD.

The earnings and expenses of the New Orleans, Jackson and Great Northern Railroad for the year ending November 30, 1866, sum up as follows:

<i>Earnings:</i> Passenger, \$426,760 49; freight, \$1,090,953 02, and mails, \$15,329 02. Total.....	\$1,533,042 53
<i>Expenses:</i> Maintenance of way, \$510,020 35; conducting transportation, \$260,473 79; motive power, \$249,815 92; maintenance of cars, \$81,247 69; stock damage, \$7,628 92; repairs of depots, &c., \$22,325 77; costs of personal in juries, \$15,762 20. Total.....	\$1,146,774 64
<i>Earnings, less expenses of operating</i>	\$386,267 89

The New Orleans, Jackson and Great Northern Railroad extends from New Orleans, La., to Canton, Miss., a distance of 206 miles. At Jackson it connects with the Mississippi Central and Tennessee Railroad, and through that line with the railroads to Memphis, Nashville and the North generally. It is to New Orleans what the Mobile and Ohio Railroad is to Mobile, the great carrier across the parallels north and south—a link in the chain which connects the region of grain and beef with the land of cotton and the sugar cane.

This road was badly damaged during the late war and its rolling stock carried off to other roads. Since the close of hostilities, however, and especially during the past fiscal year, the work of restoration and re-stocking has progressed steadily and satisfactorily. The rotten cross-ties are said to have been removed, and the road bed made sufficiently firm and level to make travel perfectly safe, and passenger trains are running the distance between New Orleans and Canton in 13½ hours.

The rolling stock on the 1st December, 1865 and 1866, compared as follows:

	1865	1866	Increase.		1865	1866	Increase.
Locomotives	10	21	11	Baggage cars.....	3	9	6
Passenger cars.....	7	19	12	Fr't & stock c rs.....	72	236	164

and since December 1, 1866, there have been added—4 passenger and 30 freight (flat) cars. These figures are exclusive of working cars.

The repairs of the road and renewal of its rolling stock have been made entirely from earnings.

The following statement shows the receipts and expenditures of the company on all accounts for the last year :

RECEIPTS.	EXPENDITURE.
Balance, Dec. 1, 1865..... \$120,287 97	Restoration of property \$62,352 48
Stock subscriptions..... 30,552 93	Redemptions, Interests, Dis-
" bills rec. for 8,759 11	counts, Commissions, Taxes,
Second series Mortgage Bonds. 241,000 09	&c., &c..... 462,212 97
Cotton sold..... 28,894 70	Sundries debited..... 142,978 25
Foreign Road Balances..... 39,296 49	Engines, cars & too s..... 325,79 04
Real Estate..... 76,171 54	Road expenses..... 1,146,774 64
Pay Rolls..... 128,732 82	
U. S. due on purchases..... 100,150 26	
Road earnings..... 1,533,042 53	Cash on hand, Nov. 30, '66..... 31,243 03
Total..... \$2,197,440 41	Total..... \$2197,440 41

The financial condition of the company at the close of the year, as per general balance sheet, is exhibited in the statement of accounts, of which the following is an abstract :

RECEIPTS.	DISBURSEMENTS.
Capital stock..... \$4,697,457 33	Roadway..... \$6,184,172 12
First mortgage bonds..... 2,741,000 00	Engines, cars & mach'y..... 1,386,874 57
Bills payable..... 153,668 63	Discount on bonds..... 909,300 34
Small notes payable..... 127,488 20	1st mor. bond sink'g fund..... 470 00
Chicasaw school fund..... 200,000 00	Coupons on bonds..... 927,449 83
Miss. 3 per cent. fund..... 20,000 00	Interest 715,088 66
Second mortgage bonds..... 241,000 00	Expenses and comm'r's..... 283,149 11
Foreign road balan's &c..... 42,067 35	Taxes, &c., and legal expenses..... 168,574 02
Due U. S. for purchases..... 100,144 01	Reduction of stock..... 26,093 22
Pay-roll account..... 4,552 10	Confed. States obligat's..... 983,602 52
Earn'gs from com'ment..... 8,256,435 97	Sundries 157,932 95
Coupons on city & State bonds collected..... 264,480 00	Road expenses..... 4,777,016 61
Sundries..... 18,355 80	Current assets..... 315,682 41
Total..... \$16,866,649 39	Cash on hand Nov. 30, '66..... 31,243 03
	Total..... \$16,866,649 39

The following shows the disposition of the mortgage bonds, of which 3,000 of each class were authorized :

	First mortgage bonds.	Second mortg-
		age bonds.
Sold.....	\$2,741,000	\$241,000
Pledged to State of Mississippi.....	200,000	.....
Pledged as security for notes.....	.....	68,000
Unsold and on hand.....	.....	1,191,000
Cancelled by purchase through S'king fund.....	59,000	.....
Cancelled and destroyed .....	.....	1,500,000
Total.....	\$3,000,000	\$3,000,000

This shows outstanding of the first mortgage bonds \$2,941,000, and of the second \$309,000. The floating debt amounted Nov. 30, to \$724,390.18, accounted for as follows :

Bills payable exclusive of interest	\$153,663 63	Foreign railroad balances.....	\$28,152 23
Loans from State of Miss.....	220,000 00	Pay-rolls to Nov 1.....	1,692 25
Accrued int'st on do. Oct 1.....	64,000 00	Personal accounts, exclusive of	
Small issues	127,488 20	interest.....	29,344 82
U. S. balances due Nov. 30.....	100,144 01	Total Dec. 1, 1866.....	\$724,390 18

Of this sum \$28,746 61 has been paid since date on account of bills payable and interest on the same, and the further sum of \$268,000 is included in the mortgage debt as we have stated above. The total debt, therefore, exclusive of accrued interest, would be as follows :

First mortgage bonds sold and pledged.....	\$2,941,000
Second do do do do	309,000
Floating debt, per report, \$724,390 18, less \$268,000 out bonds pledged for, and \$28,000 since paid.....	428,390
Total debt present.....	\$3,678,390

The accrued interest on the 1st mortgage bonds amounted, on the 30th November, to \$1,017,160. This amount is in process of being funded, in the second series of mortgage bonds; and at date \$100,000 of first mortgage coupons had been funded in New Orleans, and the signatures of bondholders to the amount of over \$460,000 more had been obtained for funding in London. In relation to this funding process the President of the Company, Gen. G. T. Beauregard, remarks as follows :

During the month of May last the President and two of the directors of the road were appointed commissioners to confer with the Northern and European first mortgage bondholders, relative to the outstanding coupons and interest due them, and which the company was unable to meet, owing to the troubles which prevailed in this country, and which left the road in a most dilapidated condition. The commissioners repaired immediately via New York and Liverpool to London, where they met and conferred with some of the most prominent bondholders, who received them with great kindness and liberality, and entered into the following agreement to be submitted to the acceptance of the other bondholders : "To deposit with trustees the matured coupons held by them of the first mortgage bonds of the company, including the coupons due 1st July last, and to receive in lieu thereof the second mortgage bonds of the company at par. In case of failure on the part of the company to meet their new obligations in the payment of interest on the second mortgage bonds thus issued, or on the first mortgage bonds (commencing with the coupons due 1st January 1867,) the bondholders to reclaim their first mortgage coupons and surrender the second mortgage bonds which were issued for them, thus placing them in their original position with their first mortgage lien on the road." The holders of our bonds in the United States are also coming under this arrangement, and we have already funded 2,500 coupons, or \$100,000 in this city (to 1st Dec.) and the trustees in London have obtained the signatures of the bondholders in that city to the extent of 11,501 coupons, or \$460,000—the total amount being about 50 per cent. of the entire amount outstanding.

DEBT AND FINANCES OF INDIANA.

The funded debt of the State of Indiana on the 1st November, 1865 and 1866, compared as follows :

	1865.	1866.	Decrease.
Two and a-half per cent. stock.	\$2,076,460	\$1,191,092	\$885,368
Five per cent. stock.	5,342,500	3,829,936	1,512,564
War loan six per cent. bonds.	1,371,780	309,000	1,062,780
Vincennes University bonds.	66,685	66,585	100
Total.	\$8,857,425	\$5,396,613	\$3,460,81

The whole amount of the 2½ and 5 per cents became redeemable in 1866, and will be paid by the sinking fund.

The valuation of real and personal property subject to taxation in 1865 and 1866, compared as follows :

Acres of land.	1865.	1866.	Inc.	194,416
Value of land.	\$22,180,088	22,280,504	Inc..	
" of improv'm'ts thereon.	\$247,686,046	\$257,746,560	Inc..	\$10,000,514
" of town lots.	60,309,071	60,758,441	Inc..	449,370
" of improvem'ts thereon.	28,319,072	29,288,021	Inc..	1,068,949
Total real estate.	30,209,740	33,993,888	Inc..	3,784,158
Personal property.	197,067,399	194,814,483	Dec.	2,252,856
Aggregate.	\$563,591,258	\$576,701,393	Inc..	\$13,110,135

—which the Board of Equalization revised and allotted, thus :

Lands and improvements.	\$311,133,724	\$323,304,658	Inc..	\$12,170,934
Town lots and improvements.	62,257,337	66,488,088	Inc..	4,231,551
Personal property.	197,067,399	194,814,483	Dec.	2,252,856
Aggregate.	\$570,468,400	\$584,607,829	Inc..	\$14,149,429
Number of polls.	198,271	228,578	Inc..	30,607

This shows an increase for the year 1866 of \$14,149,429 in the valuation of taxable property, and 30,607 in the number of polls. The debt divided among the polls registered in 1865 was \$44 67 per poll; divided among the polls of 1866, it was \$23 58 per poll—being a proportionate reduction of the State debt to nearly one-half its amount. Compared with the taxable value of property, the debt of 1865 was 1.55 per cent.; but the debt of 1866 was only 0.92 per cent. It is evident from this showing that the financial condition of the State has improved, and that if the same rate of taxation and disbursement be kept up for a few years longer, the whole debt will be erased from the State ledger.

The levy for taxes for the year 1866 was as exhibited in the annexed table :

State tax proper.	\$1,602,657 80	Township tax.	\$290,600 26
School tax.	1,030,063 26	Special school tax.	90,2,877 28
Sinking fund tax.	1,118,600 56	Township library tax.	44,492 79
Total State tax.	\$3,751,321 62	Dog tax.	154,480 00
County tax proper.	3,214,729 33	Bounty tax.	874,167 30
Road tax.	562,702 50	Other local taxes.	275,647 41
Total County tax.	\$3,777,431 84	Total, township and other.	\$2,542,355 03
Aggregate amount of tax levy, 1866.			\$10,187,432 64
Deinquencies for 1865 and previous years.			1,389,766 05
Aggregate taxes collectable in 1866.			\$11,574,218 69

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The levy for 1866 was at the rate of \$44.50 to each taxable poll, and at the rate of \$17.42 to each \$1,000 of taxable valuation. Of this estimate, the distribution to the State, the counties, and the townships and localities was as follows:

	State.	Counties.	Townships.	Total.
Tax to each Poll.....	\$16.39	\$16.50	\$1.61	\$44.50
Tax to \$1000 valuation.....	6.42	6.46	4.54	17.42

These results ought to be extremely gratifying to taxpayers of Indiana. The taxation in New York city is at least four times these rates, and in New York state, taken as a whole, three times. And yet while in Indiana the debt is being rapidly reduced, New York, on the contrary, appears to be seeking every means to increase its debt-burden.

The receipts for the fiscal year ending November 1, 1866, including balance from 1865, was \$4,043,086.57. The payments (warrants drawn) in the same year amounted to \$3,661,564.68—leaving an undisbursed remainder of \$381,528.89. But at the close of the year the Treasury was indebted to the several Trust Funds managed by the State in the sum of \$493,182.72, which eats up this balance and calls for \$111,660.83 in addition. This last amount may be correctly styled the floating debt of the State, and as such will probably be satisfied as a current account.

The receipts and disbursements are classified in sufficient detail in the statement taken from the Report of the Auditor for the year 1865-66, which follows:

RECEIPTS.	DISBURSEMENTS.
Revenue.....	\$1,764,653.59
Common School.....	1,114,345.02
Soldiers' families relief.....	82,428.33
Miscellaneous.....	455,995.74
Total, <i>ex</i> sinking fund.....	\$3,416,822.68
Sinking fund.....	510,212.55
Aggregate receipts.....	\$2,957,025.23
Add balance from 1865.....	86,051.34
Aggregate resources.....	\$4,043,086.57
Ordinary expenses.....	\$942,281.71
Office expenses.....	27,100.86
Public m-stitutions.....	426,359.44
Military expenses.....	306,394.01
Co lego fund.....	24,217.08
Common School fund.....	1,164,114.27
Miscellaneous.....	423,009.42
Total, <i>ex</i> public debt.....	\$2,619,476.79
Public indebtedness.....	1,048,087.89
Aggregate disbursements.....	\$3,661,564.68

—leaving a balance, as before stated, of \$381,528.89.

In the above account the general receipts and expenses of the government are separated from those of the sinking fund and public debt. The object of this separation is to exhibit more definitely what the cessation of taxation and expenditures on the latter accounts will effect for the people. It will be seen that the payments of interest and principal have amounted to two-fifths of the whole disbursements. There are other expenses, as the "Military," which must now be approaching extinction. The extinction of these will probably abate taxation at least a million a year, and limit the annual levy to about \$3,000,000, or to about \$2 for each inhabitant of the State.

If the county and township, etc., accounts were administered with the same wise economy as those of the State, the probability is that the local rates would be largely reduced. At present most of the counties and cities are encumbered with disproportionate debts, which have been contracted principally in aid of railroad and other companies, which frequently pay neither dividends nor interest.

CALIFORNIA COMMERCIAL RESOURCES FOR THE YEAR 1866.*

The past year has been a marked one in the history of California. While great wealth has been developed from natural and commercial causes, a severe revulsion in the financial circles of Europe and the East, put a strain upon our resources which very few mercantile communities could have successfully met, but which had no other effect upon San Francisco than to demonstrate her ability, under any and all circumstances, to meet, without effort, whatever demands are made upon her. In the past year, for the first time in her history, she became a creditor to the East, by lending gold, to perhaps too great an extent, at the high rates which the vicious currency of that section made current. The only inconvenience which the merchants and people here suffered was momentary, through the disposition to lend too much, and money for a short time was very scarce. The leading bankers and money reservoirs promptly applied the proper remedy, and the channels of circulation once more filled with the necessary circulating medium. During the year the banking capital of the city has been increased by the addition of \$3,000,000 to the Bank of California, making it \$5,000,000 of local capital, which, added to that of the other local institutions, has had the effect of reducing the rate of money to the regular level of one per cent. per month. This figure, at a time when the rate of money in London and at the East rose nearly to the same point for specie funds, had the effect of curtailing the employment of foreign capital here, and some British capital has been withdrawn. The capital of the State has accumulated considerably. First, through the abundance of the crops, which for the present year give a surplus of wheat, barley and oats of \$7,000,000 more than in 1864. The mines have been more prolific, and those of Nevada, instead of drawing assessments, have given handsome dividends. Manufacturers have prospered, and the population of the State has increased 3,683, against a loss of 1,244 persons in the previous year. The prosperity of the people has manifested itself in the large increase in the savings deposits, which have reached about \$10,000,000—an average of \$711 each depositor, against \$250 average in New York. The insurance companies have done a good business, and paid handsome dividends. The manufactorys have prospered in a gratifying manner. The woolen factories alone have taken this year 3,189,500 lbs. of wool, against 2,350,000 lbs. in the year before; and these mills are under so great pressure of business that constant enlargement is necessary. A small cotton factory shows some promise of success, and a variety of establishments for the manufacture of textile fabrics, including silk, are in progress. The effect of this prosperity of agriculture and manufacturing is that the demand for Eastern and imported goods shrinks up. The Atlantic States particularly are losing their markets here. Provisions, butter, fish, cordage, etc., are now better supplied here, and manufacturers, under

* The following review of the trade of California for 1866 was prepared by Thos. P. Kettell, Esq., for twenty years one of the editors of the MERCHANTS' MAGAZINE, and now financial editor of the *Alta Californian*.—*Ed. HUNT'S MERCHANTS' MAGAZINE*.

the present state of currency and laws at the East, come better from abroad even at the enormous gold tax of 56 per cent. average charged upon dutiable goods. The aggregate amount of goods coming here is, however, less each year. The amounts imported and the payments made, may be approximated as follows:

	1864.	1865.	1866.
Foreign, at Custom House.....	\$10,445,948	\$10,838,898	\$12,857,000
Eastern, per sail.....	30,264,590	22,862,640	17,198,204
do per steam.....	11,900,645	5,258,815	11,289,044
Freight, foreign goods.....	2,502,952	1,615,247	1,942,058
d. Eastern goods.....	1,884,201	3,824,881	2,555,973
do do per steam.....	2,380,129	1,850,663	2,888,476
Duties gold.....	6,878,848	6,708,753	7,189,763
 Total.....	 \$67,756,818	 \$56,008,897	 \$55,920,518

The actual exports in payment have been :

	1864.	1865.	1866.
Merchandise.....	\$13,359,615	\$14,216,874	\$17,166,896
Treasure	55,202,423	50,698,299	44,146,577
 Total.....	 \$68,562,038	 \$64,909,673	 \$61,313,473

This is an approximation to the state of the trade. The amount of treasure exported is that on mercantile account. There has been shipped in addition \$12,000,000 by the United States Treasury. In this amount is included the \$7,189,763 paid in for duties, as in the table, and which constitutes a part of the cost of the imported goods. The remainder of the government shipment was on hand from the amounts paid in for duties last year. The merchandise exports embrace \$5,221,248 Eastern and foreign re-exported, and the remainder, \$11,945,648, is the value of domestic produce. The result is an apparent adverse balance of \$5,392,955, which we have paid away without equivalents; a portion of this is for profits on goods sold here, for money carried away by passengers, and money drawn by absentees, for rents, dividends, etc. There has been some offset to those items by capital brought into the State by passengers, and sent here for mining investments. The expenditures on this coast by the Federal Government have declined last year, while the internal revenue taxes have increased. The aggregate disbursements in 1864 was \$9,670,656 ; in 1865 \$15,930,451, and this year \$10,689,130. These items have helped the adverse balance. The aggregate results are, however, highly favorable to the State, which was never in a better position to inaugurate its connection with China by steam than it was at the close of the year, when that great event took place, whereby passengers leaving New York December 11th were landed here in twenty days, to take their departure in the Colorado January 1st, 1867.

The receipts of treasure, it will be observed, show a decline during the past year of, in the aggregate, \$2,607,893. Of this amount the decline in bullion from the northern and southern mines was \$2,603,799. The receipts from the State of Nevada remain about the same; but the State of the roads kept back some bullion. To the aggregate amount of bullion reported, observation has made it necessary to add twenty per cent., in order to cover the sums in private hands and approximate the true sum, which will thus reach \$60,000,000.

The receipts of coin from the interior and the export thither have been as follows, quarterly :

	Receipts.	Sums remitted.	Excess remit'd
First quarter.....	\$1,208,987	\$1,817,329	\$608,342
Second quarter.....	1,684,208	2,599,781	965,573
Third quarter.....	1,279,343	2,318,079	1,038,736
Fourth quarter.....	905,882	3,172,055	2,266,173
Total.....	\$5,028,420	\$9,907,244	\$4,878,824

This large amount sent inward increased as the year progressed, and the sale of crops threw more money into the hands of the farmers.

The exports of treasure in the table have exceeded those of last year, in the aggregate, \$10,662,031 41. This excess is due altogether to the large shipments made by the Treasury, and which are suppressed from the manifestos of the steamers, on the responsibility of the Assistant Treasurer. The shipment on Treasury account last year was about \$1,500,000, and this year nearly \$12,000,000. Deducting these amounts, the movement on mercantile account has been nearly the same. The movement to England direct has been less; and also to China there has been a falling off—while the state of affairs in New York, by which gold was made artificially scarce, commanding high rates of interest, drew thither more than usual. The kinds of treasure which have been shipped during the six months ending Dec. 31st have been as follows :

	Per steamer.	China and Australia.	Total.
Gold bars.....	\$10,142,241 60	\$626,929 91	\$10,769,170 51
Silver bars.....	5,290,771 83	1,532,468 65	6,823,240 48
Gold coin.....	1,542,810 36	244,111 47	1,786,921 83
Mexican dollars.....	.....	195,931 00	195,931 00
Dust.....	12,790 72	17,448 50	30,239 22
Total.....	\$16,938,614 51	\$2,616,889 53	\$19,606,703 04

It will thus be seen that the exports of gold bars reached about one-half the aggregate export; that silver bars make rather more than one-third, one-quarter of which goes to China and the remainder to London, where the price of silver in the last year has varied from 60½ to 62d. The price of sterling bills in New York, where the proceeds of the silver are made available, has also varied largely. During the panics of the summer the rates were such as to check silver shipments, but these have latterly been resumed. In addition to the above, the steamer Colorado carried : Gold bars, \$63,698; \$55,276 gold coin, 100,815 Mexican dollars, and other lots. Total, \$581,287. But as she sailed on the first, her report belongs to the year 1867.

The aggregate exports of merchandise from this port have reached this year the large sum of \$17,166,896. A table of the leading items for many years, in another column, will be found to be of great interest. As compared with former years, this aggregate has been composed as follows :

	Domestic.	Foreign and Eastern.	Total.
1860.....	\$4,918,921	\$3,472,146	\$8,391,067
1861.....	6,988,375	2,893,446	9,881,821
1862.....	6,578,780	3,860,208	10,438,988
1863.....	7,599,755	5,204,531	12,804,286
1864.....	7,753,933	5,587,227	13,341,160
1865.....	8,705,228	5,511,146	14,216,374
1866.....	11,934,062	5,232,834	17,166,896

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These figures show results that are in the highest degree satisfactory, since there has been a regular development of the trade in domestic products—the amount reaching in 1866 150 per cent. more than in 1860. Few countries can show such rapid progress with such small increase in the number of the producers. It will be observed that the export of foreign and Eastern has been nearly stationary in the last four years. This has been the effect of the war, bringing with it paper money at the East and enormous duties upon imported goods. The taxes, delays, oppressions, expenses, and vexatious obstacles thrown in the way of importers have prevented the growth of the carrying trade. The Mexican and other channels for the legitimate commerce of this coast have been choked by the increasing expenses and disabilities imposed upon this port. The high taxes and paper money at the East have made the goods there less able to contend with imported goods here for general consumption, notwithstanding the high duties. Both these have made this port less eligible as a port of supply. It has also been the case that many California productions have taken the place of imported goods for outward manifests, and have thus swollen the figures under the head of domestic exports.

The exports of domestic produce in the past year have in the aggregate shown very satisfactory results, being an increase of \$3,229,834 over those of the previous year. This is due mainly to the increase in breadstuffs and grains, which have been comparatively as follows:

	1865.	1866.		
	Quantity.	Value.	Quantity.	Value.
Flour, bbls	109,210	\$701,556 00	327,544	\$1,855,108 19
Wheat, sks.	416,595	847,534 87	2,258,022	4,186,597 50
Barley, sks	154,922	183,230 77	298,003	331,426 70
Oats.	11,105	18,283 27	183,816	345,693 33
Total.		\$1,750,494		\$6,717,825 72

If we reduce the flour to wheat, the quantity exported has been 3,240,654 sacks, against 744,255 sacks in the previous year. The average price for the year has been, it appears, \$1 80 per sack against \$2 for the previous year, which began with large importations at famine prices. The year closes with, in round numbers, 1½ million sacks on hand at the ports, and as much more in the interior, against about 600,000 sacks the same time last year. The year began with an active demand for breadstuffs and grain for Australia, where the crops were short. That country has taken 623,036 sacks wheat and 118,071 bbls. flour; together, 977,249 sacks wheat, or about 30 per cent. of the whole export. That demand gradually died out as the year advanced, and it became certain that the Australian crops would be good. China has taken about 520,000 sacks in wheat and flour; but latterly the demand has declined. In June and July it began to be apparent that prices in England and the Eastern States would be high, and they have reached such rates as were seldom attained before. In England, the advance was 20s. per quarter, touching 71s., equal to \$4 per sack for fine California. The same price was reached in New York. Under these circumstances all the tonnage that could be commanded was taken up to transport wheat in that direction. To Great Britain, 1,033,735 sacks and 23,279 barrels flour, equal to 1,103,572 sacks wheat, have been sent; to the East, 364,098 sacks wheat and 3,520 barrels flour; together,

374,658 sacks wheat. The aggregate tonnage employed to transport the whole of the grain has been 102,961 tons register, ranging, to Australia, £2@£2 10s.; to Liverpool, from £2 in the spring to £3 10s., which was the rate recently for the Kingfisher to London. The rate to New York has been \$18@19, currency, per 2,000 lbs. Australia has been by far the largest customer for barley and oats, having taken four-fifths of the quantity shipped. The East has taken some barley. While the grain trade has been thus advanced there has been a decline in the export of hides, wool, copper ore and quicksilver. These four articles diminish the export figures by \$2,019,966.

In fallow there has been an increased movement to Peru and Great Britain.

There has also been a gratifying increase in the exports of California wines, the amount having doubled in the year. The progress has been as follows:

	1863.	1864.	1865.	1866
Packages.....	2,095	1,680	3,552	7,194
Value.....	\$79,026	\$41,931	\$89,581	\$169,947

Those figures indicate the progressive trade which results from the growing appreciation of these wines at the East, and also in the Western States, whence increasing orders are received by the leading houses. The Vinicultural Society's champagne asserts its own value. That this is to be a very important branch of California industry is a foregone conclusion. The exports of provisions have taken very large proportions, reaching \$236,373 against \$21,596 in 1863. Lumber has not done so well this year. The business had been overdone to an extent which involved the trade in difficulties through too active competition. This has now been remedied, and the matter is on a fair foundation. The table of lumber receipts, it will be observed, shows the effects of the same causes. There has been a diminution of 38,728,789 feet in the supply. There have been a number of vessels loaded direct from the northern mills abroad, a circumstance which has lessened the quantity passed through San Francisco. The fisheries have greatly improved, and the value of salmon exported is three times that of last year.

The receipts of produce from the interior at this port show the results of the large crops and improved condition of the agricultural interest. The receipts of flour show an increase of 100 per cent. in the quantities received from the interior, and this quantity now exceeds the aggregate capacity of the city mills, and has supplied two thirds the quantity taken for export. The receipts of wheat have been very large. The disposition of wheat and flour may be thus approximated:

Receipts of flour and wheat, in sacks,				
Wheat				4,659,559
Exports.....		3,229,726		
Consumption.....		432,000		
				8,761,726
Estimated surplus.....				897,838
Add stock January, 1866.....				515,269
Estimated stock January, 1867.....				1,413,102

The receipts of wool have been somewhat in excess of last year, and its quality has been very much improved. The spring clip of the present year has been one of the finest ever produced. The following figures and statements are from the circular of Messrs. McLennan, Wheelan & Grisar, wool graders:

	RECEIPTS.		
From the country — Spring		Bags.	Pounds.
Fall.....		18,630	4,934,950
		8,162	2,244,550
		<hr/>	<hr/>
Total of fleece wool.....		26,792	7,179,500
Pulled California, included in the exports below.....			754,587
From Oregon.....		2,770	443,200
		<hr/>	<hr/>
Total			8,877,287

	EXPORTS.		
To—		1866.	1865.
New York, per steam	Bales.	Pounds.	Bales.
" per sail.....	5,529	2,866,194	6,974
Boston, per sail	2,454	1,155,283	4,287
England, per sail	1,976	607,603	3,726
	55	33,049	2
		<hr/>	<hr/>
Total	10,114	4,662,129	14,999
Value			6,549,931
			<hr/>
Bought by local factories.....		pounds	\$897,937 54
On hand, packed and ready for shipment.....			1865.
Unsold in warehouse.....			1866.
			2,350,000
Total			172,902
Total value.....			508,116
			50,000
			<hr/>
Total		8,582,647	8,949,931
Total value.....			\$1,641,177 54

The prospect for the next spring clip (1867) opens very favorably, the grazing facilities being all that is required, and the heavy rains already experienced having pretty well cleansed the wool on sheep-back so far. We anticipate a spring clip fully up to the last one, for quality and condition, and we expect that the next clip will amount from 7,000,000 to 7,500,000 pounds. Our calculation is based upon the following figures:

Received last spring, (1866.) 18,630 bags spring wool; each bag containing an average of 76 fleeces, each fleece weighing 3½ pounds, giving as old stock	1,415,880 Sheep.
Allowing 15 per cent of wethers supposed all killed off for butchering	212,880 Wethers.
Leaves, breeding ewes.....	1,203,500 Sheep.
Increase of 1866, 100 per cent	1,203,500
Less 20 per cent off for butchering.....	240,700
	<hr/>
	962,800
Leaves to be shorn next spring	2,166,300 Sheep.
Giving, at 3½ per cent. each	7,582,000 pounds.

The increase of 100 per cent. allowed is not exaggerated, according to the fullest information gathered by us all over the country. There remains

the amount of stock killed off for butchering, which the following figures will show to be correct :

We have allowed	212,380 Wethers.
And	240,700 new stock.

Together.....	453,080 Sheep.
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At 2 lbs. pulled wool each, gives 906,160 pounds of wool, which exceeds the actual exports.

The industry of this port for the last year has been such, in connection with the favorable harvests, as to supply a large proportion of the necessary wants of food and merchandise on this coast. Accordingly, we find that the arrivals of goods, both from Europe and the Atlantic States, have considerably diminished. The list of merchandise received from the East is shortening gradually, and the quantities of each description that arrives are less. Thus, apples, beef, pork, butter, codfish, hams, lard, fish, etc., have declined considerably in quantities. It is also the case that heavy taxes and paper money have weighed heavily upon the ability of the East to compete with foreign nations in the supply of textile fabrics. We find, therefore, that freight values from the East decline, while those from foreign countries increase. Comparatively, the movement has been as follows :

	1865.	1866.
From Panama	\$1,885,213	\$2,288,476
Atlantic States, sail.....	3,824,381	2,555,973
Europe, sail	568,562	765,097
All other	1,046,685	1,176,961
 Total	 \$6,824,841	 \$6,786,507

Thus there has been an increase of \$403,263 by the way of the Isthmus, by reason of cheaper steam freights; but a part of that increase is due for-
eign merchandise which took that route. The sail values have declined
\$768,408, or more than 25 per cent., while those from Europe have in-
creased \$196,535, or 35 per cent.

The very high duties paid at the port of San Francisco, and which reach on merchandise \$7,189,763, are 56 per cent of the dutiable imports, which gives a value of \$12,857,000 of imported merchandise against \$6,812,368, duties in 1865, and \$6,378,384 in 1864. As measured by the duties, therefore, the imports of this port have been 13 per cent more than in 1864.

In addition to the goods which have arrived by sail from Europe and the East, there have come to hand, via Panama steamers, during the year as follows :

	First Quarter, tons.	Second Quarter, t.n.s.	Third Quarter, tons.	Fourth Quarter, tons.
1866.				
New York	6,055	8,837 $\frac{1}{4}$	9,456	8,441
Europe	682	921 $\frac{1}{2}$	1,319	1,160
Havana.....	94	59 $\frac{1}{4}$	50	25
South America	5	....	12	4
Central America.....	244	207	103	116
Mexico .....	....	....	22	14
 Total.....	 7,080	 5,036	 10,992	 9,760
Total 1865	6,477	5,270	6,381	3,749
 Increase	 603	....	4,611	 6,011

The freight values for these periods were as follows :

	First Quarter.	Second Quarter.	Third Quarter.	Fourth Quarter.
1866.				
New York	\$375,407	\$281,001 17	\$651,557 17	\$588,870
Europe	52,209	67,921 16	96,883 58	88,935
Havana	6,486	2,813 15	2,316 40	1,199
South America	249	.....	395 24	251
Central America	11,513	10,474 83	4,523 45	4,194
Mexico	1,812	1,687 73	793 00	1,529
Total.....	\$445,876	\$363,848 04	\$756,473 84	\$684,478
Total 1865.....	499,451	388,332 00	490,285 00	507,909
Decrease.....	\$54,075	\$24,483 96	.....	.....
Increase .....	.....	.....	\$276,188 84	\$176,569

Since the new arrangements in regard to the transmission of freight by the Panama steamers have gone into operation, the amount of freight so sent, it will be observed, has undergone a notable increase. In the last two quarters the increase has been more than fifty per cent. in freight values.

The tonnage movement of the port has not varied much in the past year from that of the preceding year, in the aggregate. The number of coal vessels which have arrived from the East has been larger, but there has been a decline in the number and tonnage of vessels with general cargoes from the Atlantic States. The short harvests in Australia early in the year caused the arrival of a number of coal vessels to carry back grain and there is an increase of 69 vessels and 31,458 tons in the clearances for that destination. The orders for grain for Great Britain have caused a scarcity of tonnage, and high freights have been paid, running up to £3 10s. for that purpose. There has been an increase of 45 vessels and 30,351 tons in that direction. The wants of the grain trade have most influenced the tonnage departures. The quantities were as follows, showing the exports of grain, reducing the flour to (sacks) wheat :

	1865.	1866.
Grain exported.....sacks.	910,282	8,721,978
Grain tonnage cleared.....	12,263	102,961

Thus the arrivals from foreign and Atlantic ports embraced last year 425,512 tons, of which 12,263 only, or 3 per cent., were taken for grain freights. This year the arrivals were 421,593 tons, of which 102,961, or nearly 25 per cent., were demanded for grain freights. These figures are the key of the tonnage movement this year.

The passenger returns show a very gratifying result for the past year, since there is an apparent excess of 3,683 in the arrivals over departures, while in 1865 there was an excess of departures. The passenger movement for several years has been as follows :

	Isthmus		Elsewhere		Total	
	Arrivals.	Departures.	Arrivals.	Depart's.	Arrivals.	Depart's.
1863.....	24,827	9,505	7,568	4,225	31,905	13,730
1864.....	24,622	14,529	4,963	5,643	29,585	20,172
1865.....	18,610	21,597	5,589	3,746	24,099	25,340
1866.....	20,962	17,895	4,656	4,040	25,618	21,935

Last year was the only one of the series in which the number of persons going East exceeded those arriving. In 1864 there was excess in the departure of the Chinese, but 1865 is the only year which presents a positive depletion of population towards the East. The reasons for that were obvious. The war and its exigencies, including the drafts, had sent numbers to this coast, particularly in 1863. In 1865, not only many of these returned, but many others who hoped to find in the Southern States lucrative commercial openings, and numbers of persons also went to Europe. These combined causes helped to create an excess of departures. But these influences have measurably ceased to act, and this year we have an approximate return to former figures, and we find an excess of 3,067 in the arrivals from the East. The aggregate movement quarterly has been in the past year as follows:

Quarter.	Arrivals.	Departures.	Excess departures.	Excess arrivals.
April 1.....	4,704	5,552	848	...
July 1.....	7,788	5,245	....	2,543
October 1.....	6,213	4,999	....	1,214
January 1.....	6,913	6,189	....	774
Total	25,618	21,985	848	3,683

The Chinese movement still shows an excess of departures. In three years the arrivals thence have been 6,335, and the departures 7,642—a loss of 1,307 persons in additional to the deaths that have taken place in that time. This, in view of the great necessity felt for labor, and the exertions being made to promote intercourse between the nations, is a severe commentary upon the barbarous and unconstitutional laws which still disgrace our statute books in respect to those people.

The coal trade has taken large dimensions. The Mount Diablo mines have increased their supply 30 per cent. for the year, and have more than doubled in two years. It will be observed that the whole of the receipts from other quarters have maintained the same figures during the last five years, and that the whole of the increased supply necessary to meet the growing wants of the coast has been due to the Mount Diablo mines.

TREASURE MOVEMENT AT SAN FRANCISCO FOR 1866.

The San Francisco papers of the 9th of January furnish a review of the treasure movement for the past year, from which, and the papers for previous years, we have prepared the following :

It seems that the total domestic receipts through the regular channels are less than any previous year since 1862, as may be seen from the following :

	1866			1865			
	Uncoin ed.	Coined.	Total.	Uncoi ed.	Coined.	Total.	
Rec's from N. mines.....	35,792,755	3,522,585	38,715,340	36,649,237	3,093,110	39,742,447	
do S. mines.....	4,106,975	1,042,774	5,148,749	5,108,413	1,330,547	6,438,960	
Coastwise recp's,.....	5,397,100	537,438	5,940,538	6,948,511	548,265	7,495,776	
Total for year.....	44,701,840	5,102,785	49,804,625	48,706,261	4,961,922	53,668,183	
TOTAL RECEIPTS.							
1864.....	47,769,984	5,743,390	53,513,383	1862.....	41,877,957	5,598,421	47,471,378
1863.....	43,913,375	6,388,974	50,297,349	1861.....	32,325,863	9,363,214	41,689,077

[February,

On this subject of receipts the San Francisco *Bulletin* says :

The receipts last year show a falling off in the aggregate of \$1,811,439, as compared with 1865, and \$1,582,158 as compared with 1864. In arriving at the total product of our mines, it has been customary to add to these receipts from the interior, through public channels, at least ten per cent, to cover amounts received through private sources, and thirty per cent to the coastwise receipts for sums in the hands of passengers. Observing this rule, we have the following as the product of our mines for the past year :

From California and Nevada.....	\$49,198,953
Coastwise ports, North and South, including British Columbia.....	8,516,669
Total.....	\$57,715,622
Add imports foreign.....	[2,369,944]
Grand total 1866.....	\$60,085,566

The foregoing statement comprises all the domestic treasure received through Wells, Fargo & Co's Express, together with the estimated amounts received from the interior through private channels, in the hands of passengers coast wise, and the imports foreign. To this aggregate we think should be added the amounts from Portland and Crescent City, consigned to other consignees than Wells, Fargo & Co. There are no accessible means of ascertaining these amounts, except as they have been reported from time to time on the steamers' manifests as deposited at the Exchange. Of the sums thus reported by these northern steamers during the past two quarters, we find the following consigned to other parties in addition to the receipts per Wells, Fargo & Co's Express: Third quarter \$459,840; fourth quarter, \$680,569—total, \$1,139,909. The aggregate receipts per steamers from the north coast for the first two quarters of the year were considerably lighter than for the last half of the year; consequently, the sums received per other consignees outside of the Express Company were proportionately smaller. We think, however, that at least \$2,000,000 has been received by these private consignees in their own names during the past year, which should doubtless be added to the aggregate given above, making the total receipts of treasure at this port, from all sources, for the year 1866, \$62,085,566.

The exports from the port for the six years 1861-1866, as declared at the Custom house were as follows :

To	1861.	1862.	1863.	1864.	1865.	1866.
	\$	\$	\$	\$	\$	\$
New York.....	32,028,011	26,194,035	10,389,329	12,316,121	20,583,389	20,244,891
England.....	4,061,770	12,950,139	28,467,256	31,436,423	15,432,633	6,537,267
China.....		2,660,754	4,2,6,370	7,888,973	6,963,322	6,527,287
Japan.....	3,541,279	{ 17,916	34,564	35,631	214,06	106,130
Manila.....		35,652	66,200	150,135	156,505	....
Panama.....	349,739	434,508	2,5,3,296	378,794	1,224,341	511,549
Havana.....			32,302	8,000		
Hawaiian Is'ds.....		3,000	31,253	130,603	45,920	187,480
Society Islands.....				8,000	16,951	5,500
Mexico.....		5,006	155,518	175,345	152,457	12,004
Central America.....	95,920	10,000	77,827	45,321	9,273	67,986
Victoria, V. I.....		188,222	100,000	125,000		140,0 0
France.....					350,170	939,055
Chile.....		121			50,000	95,800
Australia.....						
East Indies.....			62,414			

The following shows the total movement for the same years :

	Receipts at port.			Exports as above.	Annual movement
	Interior.	Foreign.	Total.		
1866.....	\$49,801,625	\$2,837,028	\$52,639,153	\$44,334,393	Inc. *\$8,327,360
1865.....	53,698,183	1,799,391	55,46,573	45,308,228	Inc. 10,150,345
1864.....	53,512,333	1,715,024	55,228,407	55,707,201	Dec. 47,794
1863.....	50,297,349	2,156,612	52,453,961	46,071,920	Inc. 6,382,041
1862.....	47,471,378	1,934,084	49,375,462	42,561,761	Inc. 6,813,501
1861.....	41,689,077	1,702,683	43,391,760	40,676,753	Inc. 2,715,003
Total.....		40,676,758	42,561,761	46,071,920	55,707,201
				45,308,228	44,364,393

MERCANTILE FRAUD IN ENGLAND.

The Pall Mall *Gazette*, of Dec. 21, furnished the following picture of mercantile morals in England :

"The readiness with which it was believed, a few days ago, that some ingenuous person had brought down the shares of a railway by circulating an utterly groundless report that its chairman had failed, affords a fresh illustration of a state of things which is becoming very serious; so serious that, unless the whole nation is to be permanently disgraced, some sustained effort ought to be made to set it right. We refer to the continual growth and development in all directions of mercantile fraud which appears to pervade men of business of all classes, from capitalists who get up fraudulent joint-stock companies which cost tens of thousands to unfortunate shareholders, down to the not less determined and in their position not less dangerous rogues who add to their gains by keeping false weight and measures. The *Times* remarked the other day with perfect truth that lying for the purpose of cheating was so common on the Stock Exchange that people there appeared to think nothing of it, and the case is undoubtedly the same in many other departments of business. Not long ago a gentleman, not himself in business, but connected with others who were so engaged, was informed by one of his friends that he, the friend, had found out that his partner had been raising money by pledging securities which had been entrusted to the firm for safe custody. The firm was at the time in difficulties, and an attempt was being made to wind up its affairs. The outsider thus applied to was horrified to hear that his friend was in any way connected with any such transaction, and advised him at once to disclose it to all the parties interested. The two went for this purpose to the herd of a very eminent house in the trade, and told him what had happened. He treated the whole thing as a most venial irregularity, declared that it would never do to take a strict legal view of such matters, and expressed his firm conviction that the person who had been guilty of this slight deviation from strict propriety was a man of the very highest honor, utterly incapable of a really dishonest action. The two friends, not being satisfied, took steps to have the matter fully investigated, and the same evening the man of high honor confessed that he had committed the further irregularity of forging acceptances to the value of several thousands pounds, and on the next day decamped, leaving his unlucky partner liable to claims of which he had never had any notice, which involved him in absolute ruin and many friends who had assisted him in most serious loss. Cases of this kind are continually occurring, and the remarkable and indeed intolerable thing is not that in such cities as London, Manchester and the like, there should be a large number of consummate rogues, but that the honest men should take so little notice of their roguery, and should persistently regard it with indulgence, not to say indifference. No doubt we possess a large number of merchants as honorable as any in the world. We have men whose word is their bond, and who would as soon lie as they would pick pockets; yet we have on the other hand such an assortment of cheats and swindlers, from the millionaire down to the small shopkeeper, as were never, in all human probability."

ity, collected in one place before. The really grave charge against the honest men is that they indulge and countenance the other class—that from indifference, from want of corporate feeling, or from a sort of callous indifference which even an honest man is very apt to contract from continual intercourse with roguery, they not only allow them to take their course and suggest no means whatever for clipping their fraudulent wings, but do their very utmost to put commerce of all kinds on a footing which gives the utmost conceivable facilities to every kind of cheating. It is by no means pleasant to compare the number of barriers which were formerly opposed to fraud with the facilities which are afforded to it in the present day. The system of guilds and monopolies had undoubtedly immense evils, and degenerated before it was finally destroyed into a very hotbed of robbery and corruption ; but it did at all events provide some sort of corporate feeling amongst different trades, and some kind of machinery by which that corporate feeling might provide more or less discipline for individual traders. The Inns of Court and the Incorporated Law Society—and especially the former—might no doubt be more efficient than they actually are, and many professional malpractices no doubt exist in spite of them ; but if they were swept away there would undoubtedly be many more. Much may be said for and against trades unions, but it will hardly be denied that the corporate feeling which they produce amongst the men who belong to them has its noble and elevating side. Commercial life is subject to none of these influences. The merchant, the speculator, the shopkeeper, stands for the most part altogether alone, and bends all the energies of his mind to making his own fortune by his own exertions.

The old law of bankruptcy, again, was certainly exceedingly harsh, and the law of imprisonment for debt on which it was founded was harsher still. Harsh, however, and cruel as they were, they did in a very emphatic way indeed assert the great principle that to be in debt and not to be able to pay is disgraceful, and that wilfully to diminish the means available for payment is one of the very worst forms of robbery. The notion of punishing a fraudulent bankrupt with death would in these days be regarded with horror, but if our humanity has gained something by the abolition in such cases of capital punishment, our sense of justice has lost a great deal by our refusal to recognise in such an act a crime as gross and as deserving of severe punishment as the worst forms of highway robbery. The old law of partnership, again, was, in its way, harsh. To prevent people from contracting, if they thought proper, upon the principle of limited liability, was, no doubt, to treat them more or less like children ; but it did make it much more difficult to devise wholesale frauds than it is at present.

We do not say either that this legislation was wrong, or that it is now possible to alter its essential provisions. Nothing but experience can teach people prudence ; and if all mankind are bent on having every possible facility afforded to the cleverer members of the community for getting rich in a hurry, why they must have their way, even if they should happen, as was remarked of old, to be “pierced through with many sorrows ;” but that which is not in itself wrong may be grossly defective, and this has, no doubt, been the case with our legislation on commercial matters. Throw open your gaming table to all mankind if you please, but let us at all events have such security for fair play as the

most stringent rules for the punishment of fraud can give. If trade is to be a universal betting-ring, so be it; but let us have no mercy on welchers. The criminal law ought to keep pace with the progress of commercial legislation, and should be extended in direct proportion to the degree in which we give up the notion of protection. Prevention we have given up as being, under the circumstances of the case, impossible, and likely, if attempted, to do more harm than good; but this is the strongest of all reasons for trying our very utmost to increase the efficiency of punishment. If the railings and gates of a park are all thrown down, common prudence ought to teach us to send in an additional force of police.

How then ought this to be done? It should be done by adding to the criminal law a completely new head in the shape of an Act for the punishment of fraud and lying. As matters stand at present, the law is almost a blank on this head. Theft is a comparatively coarse and trivial offence. Embezzlement applies to a very limited class of cases, and the Acts which relate to offences by fraudulent trustees, or by factors, brokers, &c., are of a very special and peculiar character, and are so constructed as to apply to a very small part of the frauds which are so rife amongst us. The crime of conspiracy to defraud takes a wider sweep, but to make a conspiracy there must be a combination of at least two persons for an unlawful object, and it is by no means easy to fix people with any specific design of this sort. The Act which punishes the obtaining of goods under false pretences, and the offence of cheating at common law, have been construed by the court in such a narrow spirit, and so many restrictions have been imposed upon them, that they are in practice confined to cases of a very petty character. Nothing can be more characteristic of the spirit in which the judges have dealt with this subject than the fact that they have on several occasions refused to hold that particular circumstances amounted to obtaining goods under false pretences, for fear of extending the Act to all mercantile frauds whatever.

This result, as it appears to us, is just what is wanted. Get a broad, general definition of fraud, and make fraud punishable like theft, putting it in law, as it is in morals, on precisely the same level. Of course there would be difficulty—though not, we think, so much as might be supposed—in defining fraud for penal purposes, but it is difficult to imagine a more useful undertaking than that of making such an addition to the criminal law. We are, no doubt, at present a good deal in the dark on the details of the subject. The revelations which come to light from time to time as to the state of commerce, show clearly enough the necessity which exists for further legislation, but so far as we know no systematic inquiry has ever yet been made into the subject. Why should not the present Government, who are greatly in want of practical measures to act as a sop to the British public and to find occupation for the British Parliament, appoint a commission of lawyers and merchants to inquire into the subject of mercantile fraud, and to prepare a measure for its better punishment and prevention? The report of such a commission would pay its expenses ten times over, for no sensation novel would be such an amusing reading.

COLONIAL BLUE-BOOKS.

The reports respecting the present state of her Majesty's colonial possessions in North America are now before the public. That for New Brunswick states the revenue of the colony for 1864 to be £213,675, against £175,258 in the year preceding. The expenditure was £175,979, against £184,845 for 1863. The value of imports was £1,863,615, being £208,102 more than in 1863. The exports amounted to £1,052,891, being £23,562 more than in 1863. To this amount, however, the value of the ships built in the province, which was not less than £800,000, must be added, which produces a balance in the account. Many of the exports are often shipped from the American bank of the St. Croix, and consequently do not appear in the return. One hundred and sixty-three new vessels were built and registered in the course of the year. The total number now on the registers of the colony is 958, measuring 233,225 tons. The European and North American Railway, which is the property of the Government, produced \$145,057; the expenses were \$100,630. The number of passengers was 139,554. The accounts of the Post Office show a deficiency of nearly \$21,000, which is attributed to the untaxed transmission of newspapers through the post. Education has cost \$115,167. The schools in operation was 816 in number, and the scholars about 30,000. There are 22 superior schools, attended by 1,138 pupils. The university numbers 38 students, and the collegiate school 99 pupils. Applications for Crown Lands have been received to the number of 1,625, including 549 petitions to purchase land at the public auctions' and 1,076 applications to purchase land by the performance of labor.

Prince Edward's Island is represented solely by its blue-book. Governor Musgrave accompanies the Newfoundland Blue-book by a report, from which it appears that the revenue, which is chiefly derived from import duties, shows an apparent total of £125,158, against £113,034 for the preceding year. This is, however, accounted for by loans and by a special Customs duty amounting to £12,933. The value of imports is stated at £1,067,062, of which £455,308 are from the United Kingdom, and £306,851 from the United States. The expenditure of the colony, like the revenue, remains almost unaltered. There is, however, a noticeable difference in the items of which it is made up. The amount disbursed for the relief of the poor was only £15,123, being £11,593 less than in 1863, and £17,421 less than in 1862. The expenditure of 1864 was chiefly made up of payments for roads, bridges, lighthouses, steam communication, the repayment of public debt, water supply and sewerage. The exports of the colony are chiefly codfish and oil. In 1864 the seal fishery was a failure, and the amount of codfish was 150,730 cwt. less than in 1862. Owing to the rise in price the value of the smaller export was £795,460, against £787,821 for the larger. The public debt amounts to £167,261. There is no local taxation in the island, the result of which is that local improvements can scarcely ever be made, from the jealousy of the inhabitants of the rural districts, who object to being expected to contribute, though in ever so small a proportion, to the comfort of the inhabitants of the towns. The House of Assembly consists of 30 members, returned by 15 electoral districts, of which five return three members each, five

two, and five one. The qualification is a net annual income of £600 derived from any source or the possession of property clear of all encumbrance of £500. The qualification for the suffrage consists of the occupation of a house of any value for two years before the date of the election. The electors on the register are 17,728, and the number of male inhabitants above the age of 20 was at the last census 29,192. Education in the colony has cost £13,814, and 10,437 children are in the elementary schools. The mineral wealth of the colony is very large, but no efforts have been made to develope it. Copper, lead and tin are found in large quantities, and there is a vein of marble of quality quite equal to that of the finest from Carrara. The gaol is not large, and the number of the prisoners is very small compared with the population.

The Bermuda report is accompanied by a despatch in which Governor Hamley states that the recent prosperity of the colony was owing to the blockade-running trade. As that is, however, abandoned, it will be interesting to discover whether the energy and activity evoked by it continue, or whether the colony will fall back into a lower position than before.

The report of the Governor of Vancouver's Island states the revenue for 1864 at £71,268, against £73,776 in 1863. The total expenditure has been £74,246, presenting an increase compared with that of the preceding year of £69,589. Under "Works and Buildings," £18,452 has been expended out of the road and harbor loan. The number of electors on the register is 1,213. This number, however, represents the votes, and not the voters, the number of the latter being only 890, and the surplus of votes being accounted for by the fact that many of the residents in the towns have taken up lands in the country districts which they neither occupy nor improve. The Legislative Council consists of 5 official and 3 non-official members, nominated by the Crown. The Assembly consists of 15 members elected by the constituencies. The British population numbers about 3,000, so that it is easy to understand how strongly the American element must influence the action of the legislature. Besides these there are a number of Chinese and negroes, who, with the Europeans, make up 8,000. The aboriginal Indians number about 10,000. The imports show a net decrease as compared with 1863, but there is an increase of imports from the United Kingdom of £24,367, and decrease of imports from the United States of upwards of £80,000. The record of exports is meagre and valueless, but the amount of gold exported through the banks was not less than £556,945. The last paragraphs of the despatch are peculiarly melancholy. More than 8 per cent. of the total imports to Vancouver's Island, or \$395,785, is for wines and spirits. If profit be added at the rate of 40 per cent. and the consumption of British Columbia imported through Vancouver's Island be deducted, the consumption in the last-named colony amounts to \$264,915, which, assuming the adult male population to be 5,000, gives an annual expenditure per man of 52 dollars 98 cents. In the city of Victoria there are 85 retail licenses for public-houses, in addition to 23 wholesale licenses. Outside the city there are 41 licensed houses, making a total of 149 licenses to sell drink, for which the fees payable in one year amount to £29,909. Of the social results of this state of things the Governor prudently says nothing.

MINERAL RESOURCES OF THE PACIFIC SLOPE.

ABSTRACT OF THE REPORT OF MR. J. ROSS BROWNE TO THE SECRETARY OF THE TREASURY.

Mr. J. Ross Browne, who was appointed Special Commissioner under a provision of the Appropriation Act of July 28, 1866, authorizing the collection by the Secretary of the Treasury of "trustworthy statistical information concerning the gold and silver mines of the Western States and Territories," has submitted a valuable and interesting report, from which we condense some of the most important and interesting passages. The report embraces only the country west of the Rocky Mountains.

The product of gold and silver for Oregon, California, Nevada and Washington Territory, is estimated as follows:

In 1861.....	\$49,391,000	In 1864.....	\$63,450,000
In 1862.....	49,370,000	In 1865.....	70,000,000
In 1863.....	52,500,000		

Well informed persons estimate the product for 1866 as follows:

California.....	\$25,000,000	Colorado.....	\$17,000,000	Other sources....	\$ 5,000,000
Montana.....	18,000,000	Nevada.....	16,40,000		
Idaho.....	17,000,000	Oregon	8,000,000	Total.....	\$106,000,000

This is four times as great as the total product of the world less than thirty years ago. For the last thirteen years the yield of gold in California has been decreasing, but the yield of the quartz mines on the Pacific coast is increasing slowly. The following table shows the exportation of treasure from California manifested at San Francisco:

1849.....	\$4,921,250	1855.....	\$45,182,631	1861.....	\$40,639,080
1850.....	27,676,346	1856.....	48,880,543	1862.....	42,561,761
1851.....	42,582,695	1857.....	48,976,697	1863.....	46,071,920
1852.....	46,588,434	1858.....	47,548,025	1864.....	55,707,201
1853.....	57,330,034	1859.....	47,649,462	1865.....	44,984,546
1854.....	51,328,6 3	1860.....	42,203,345		

In 1861, according to Prof. Ashburner's statistics, there were thirty-eight quartz mills in California. The cost of extracting the quartz in twenty eight of these is reported at \$2, and less than \$3, as the minimum, and \$26 as the maximum expense. In seven mills the cost of stamping ranged from 50 cents and less than \$1 to \$3, and less than \$4 per tun. In thirteen mills the cost of treatment ranged from \$1 and less than \$1 50 per tun to \$8 31. The lowest loss of mercury in working 1,000 pounds of quartz is seven pounds of mercury, and the highest 198 pounds, the yield in the former being reported at \$25 per tun, and the latter \$17 14 per tun.

In 1865, Mr. A. Remond, in the service of the State Geological Society of California, visited the districts lying between the Merced and Stanislaus rivers, from whose report it appears that the average width of lodes ranged from 1 foot to 25 feet; the average gold per tun, from \$4 to \$180; the average cost of extraction per tun, from \$1 to \$60; the average cost of transportation to mill, from 25 cents to \$11, and the average cost of treatment, from 75 cents to \$7,

In mine No. 48 (Watt's), the vein is only two inches thick, and it costs \$60 to get out a tun of ore, producing a yield of \$180 per tun, while in No. 62 (Old Whiskey Hill), it costs only 50 cents to take out a tun of rock from a vein 15 feet wide, yielding an average of \$15 per tun. Out of 67 mills, 38 were not running, 2 were ruined, and 2 unfinished. The cost of 11 mills was under \$2,900 each; of 20 mills it was between \$3,000 and \$3,900, inclusive; of 14 it was between \$5,000 and \$9,000, and of 14 it was \$10,000 or more, in one case being \$42,000. The lowest number of stamps in a mill was 3, and the highest 35. The power used in 52 mills was water; in 11 mills, steam, in 3, water and steam.

Grass Valley, in Nevada County, Cal., is the most productive gold quartz mining district in the world, the annual yield of an area within a radius of four miles being \$3,500,000, an average of \$1,700 to each laborer employed in the mines.

The total product of the Hayward claim, one of the most notable mines in California, first opened in 1851, is said to be \$6,000,000. For the year ending September 30, 1866, the receipt of bullion from the Allison mine at Grass Valley was \$531,431 41, and the net profits \$368,042 18. The richest placer mine in the State is that of the Blue Gravel Mining Company at Smartsville, in Yuba County. The yield from March, 1864, to September, 1866, was \$599,948. The Comstock lode in Nevada is the most productive in the world, a strip of land 600 yards wide and 3 miles long, yielding \$12,000,000 annually. For 1866, the yield was \$16,500,000, and the total yield since 1859 has been \$70,725,000, being only \$50,000 the first year and \$100,000 the second.

The fluctuations in mining shares in the earlier periods of mining speculations is curious. In the early part of the summer of 1859, the Ophir ground in Nevada could be bought for \$100, and the Gould & Curry for \$3 per foot. In less than eight months the former had risen to \$1,000 per foot, and the latter to \$600 per foot. In less than two years from that time the Gould & Curry was selling at the rate of \$5,000 per foot, but one year thereafter at less than \$1,000; in April, 1865, it sold for a little over \$3,000, and now can be bought for about \$500 per foot. While some at Gold Hill have fluctuated still more widely, this is not considered an extreme case.

Of the 179 mills in Nevada, 89, carrying 1,440 of the 2,564 stamps, are in the Washoe district. These mills have a capacity equal to 3,841 horse-power, and cost, in the aggregate, over \$5,500,000, all the other mills in the State having but 2,481 horse-power, and costing \$5,500,000. The Reese River region contains 32 mills, carrying 310 stamps, with a capacity of 410 horse-power, and costing \$1,500,000. The product of the State is readily calculated when it is remembered that from the Comstock lode is extracted more than 90 per cent. of all the bullion produced in Nevada.

The yield of the mines in Oregon for the present year do not exceed \$2,000,000, nearly the whole being the products of placer diggings. The yield of Washington Territory is put down at \$1,000,000, though three-quarters of this amount is the product of British Columbia. The public press of Montana claim that the product of the Territory for the year will reach \$15,000,000;

but this is thought too high an estimate. The product of Idaho will not fall short of \$10,000,000, some estimating it much higher.

The copper resources of the Pacific Coast are becoming important. The following table shows the exportation of ores from San Francisco since 1862:

Year.	To New York.		To Boston.		To Swansea.		Total Tons.
	Tons.		Tons.		Tons.		
1862.....	86		3,574	16-20			3,666 10-20
1863.....	1,337		4,208	15-20	7	15-20	5,553 10-20
1864.....	4,905	16-20	5,064		264	7-20	10,234 3-20
1865.....	4,146	3-20	9,050		2,591	16-20	17,787 19-20
1866.....	7,676	10-20	3,415	5-20	10,384	15-20	21,476 10-20

The quicksilver mines of California are known as the New Almaden mines, and have been open since 1850. In August, 1863, a period of ten years and eleven months, the total amount of ore consumed was 102,313,442 pounds, and the produce of quicksilver 308,756 flasks, or 23,519,834 pounds. From November, 1863, to December, 1864, the total product was 46,216 flasks, or 3,566,200 pounds, to which is to be added 720 flasks from washings. In 1865 the gross product was 47,078 flasks, or 3,604,465½ pounds, to which is to be added 116 flasks from washings. The gross product for 1860 was 30,029 flasks. The following is a comparative statement of all the quicksilver exported from California to various countries since 1859:

To	1859.	1860.	1861.	1862.	1863.	1864.	1865.	1866.
	Flasks.	Flasks.	Flasks.	Flasks.	Flasks.	Flasks.	Flasks.	Flasks.
New York.....	250	400	600	2,265	95	1,695	6,800	3,500
Great Britain.....			2,500	1,500	1,062	1,609	10,400	16,400
Mexico.....	103	3,886	12,061	14,778	11,590	7,483	2,650	6,450
China.....	1,068	2,775	13,788	8,735	8,889	18,908	14,250	17,250
Peru.....	571	750	2,804	3,439	3,376	4,300	5,500	5,500
Chili.....	930	....	2,059	1,746	500	2,674	2,000	2,600
Central America.....	....	....	110	40	40	30	....	....
Japan.....	....	....	50	25	....	262	....	....
Australia.....	325	100	1,850	800	300	103	200	200
Panama.....	133	130	57	424	120	45	....	....
Victoria, V. I.....	19	327	116	5	42	21	....	....
Total.....	3,399	9,448	35,995	33,747	26,014	36,918	41,800	45,900

The other quicksilver mines in California did not average 1,000 flasks per month in 1866.

Borax was discovered in California in 1856, and since that time but one company has been formed for its production. About two tons of crude crystal are produced daily.

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st of December, 1866, the 1st of January, and the 1st of February, 1867, comparatively:

DEBT BEARING COIN INTEREST.

	Dec. 1.	Jan. 1.	Feb. 1.
5 per cent. bonds.....	\$198,091,350	\$198,091,350	\$198,091,350
" " of 1867 and 1868.....	15,837,942	15,782,442	15,779,442
" " of 1881.....	283,740,000	283,740,850	283,745,250
" " 5.20's.....	861,649,300	891,125,100	910,029,500
Navy Pension Fund.....	11,750,000	11,750,000	12,500,000
	\$1,371,068,592	\$1,400,490,742	\$1,420,145,542

DEBT BEARING CURRENCY INTEREST.

6 per cent. bonds.....	\$10,302,000	\$10,622,000	\$12,922,000
3-year Compound Interest Notes.....	147,387,140	144,900,840	143,064,640
3-year 7.30 notes.....	699,933,750	676,856,600	663,636,100
	\$857,622,890	\$832,379,440	\$819,672,740

DEBT ON WHICH INTEREST HAS CEASED.

Various bonds and notes.....	\$22,605,794	\$16,518,590	\$15,791,454
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DEBT BEARING NO INTEREST.

United States Notes.....	\$285,441,849	\$380,497,842	\$381,427,090
Fractional currency.....	28,620,249	28,732,812	28,743,734
Gold certificates of deposit.....	19,636,500	16,442,630	19,992,980
	\$433,698,598	\$425,673,334	\$430,163,804
Aggregate debt.....	\$2,684,995,875	\$2,675,062,505	\$2,685,773,540
Coin and Currency in Treasury.....	135,364,637	131,737,833	142,423,731
Debt, less coin and currency.....	\$2,549,631,238	\$2,543,325,172	\$2,543,349,749

The following statement shows the amount of coin and currency separately at the dates in the foregoing table :

	Dec. 1.	Jan. 1.	Feb. 1.
Gold Coin.....	\$95,168,816	\$97,841,968	\$97,354,604
Currency.....	40,195,821	33,895,765	45,069,187
Total gold coin and currency.....	\$135,364,637	\$131,737,833	\$142,423,731

COMMERCIAL CHRONICLE AND REVIEW.

Monetary Affairs—How affected by action of Congress.—Course of Governments.—Prices of Leading Stocks.—Rates of Interest.—Course of Gold.—Treasure Movements, &c.

The opening of the year cannot be said to have been auspicious. Monetary affairs during the past month have worn a very unsettled aspect, and business generally has been unsatisfactory. The tendency of Congressional legislation has been of a nature not to inspire confidence. Measures have been under discussion relative to radical changes in the currency, to an increase in the duties upon imports, to a curtailment of the privileges of the National Banks, to reconstruction, and to the impeachment of the President : and the natural consequence of so many important questions being crowded upon the public mind has been a wide disturbance of values. The banks have shown unusual caution. There has been a general revision of loans, borrowers being called upon to keep up their margins, and the weaker class of collaterals being discarded. This process proved to be a stronger test of the condition of the stock market than it could sustain ; and securities have consequently been thrown upon the market in large amounts, causing heavy losses and several failures among the younger stock firms. The average decline in the prices of railroad shares during the month has been 7@10 per cent. United States securities, however, have stood with remarkable steadiness. The more confidence has been shaken in other securities, the more lenders appear to have sought safety in National bonds, and, as will be seen from the subjoined comparison, the course of prices has been upward, except on Seven-thirties and Ten-forties.

[February,

PRICES OF GOVERNMENT SECURITIES, JANUARY, 1867.

Day of month.	6's, 1881.		6's, 5-20 yrs.		5's, 10-40 yrs.		7-30's.	
	Coup.	Reg.	Coup.	Reg.	Coup.	Reg.	1867.	
Tuesday 1.	106½	.....	106½	.....	99½	.....	105
Wednesday 2.	107½	.....	107½	.....	99½	.....	105½
Thursday 3.	108½	108½	107½	.....	99½	.....	105
Friday 4.	108½	.....	107½	106½	.....	.....	105
Saturday 5.	108½	.....	107½	106½	.....	.....	105
Sunday 6.	108½	.....	107½	106½	.....	.....	105
Monday 7.	108½	.....	107½	106½	100	100	105
Tuesday 8.	108½	.....	107½	106½	100	100	104½
Wednesday 9.	109½	.....	107½	106½	99½	.....	10½
Thursday 10.	108	.....	107	.....	99	.....	104½
Friday 11.	107½	107½	106½	.....	99½	.....	104
Saturday 12.	108½	108½	107½	.....	99½	.....	104½
Sunday 13.	108	.....	107½	.....	.....	.....	104½
Monday 14.	108½	.....	107½	.....	.....	.....	104½
Tuesday 15.	107½	107½	107½	.....	99½	.....	104½
Wednesday 16.	108	108	107½	.....	99½	.....	104½
Thursday 17.	108½	108	107½	.....	99½	.....	104½
Friday 18.	108	.....	108	.....	99½	.....	104½
Saturday 19.	108	.....	108	.....	.....	.....	104½
Sunday 20.	108	.....	108	.....	99½	100	104½
Monday 21.	107½	.....	108	105½	99½	.....	104½
Tuesday 22.	108	.....	108	105½	99½	.....	104½
Wednesday 23.	108	.....	107½	.....	99½	.....	104½
Thursday 24.	107½	.....	107½	.....	99½	99½	104½
Friday 25.	107½	.....	107	.....	99½	.....	104
Saturday 26.	107½	.....	107	.....	.....	99½	.....
Sunday 27.	107½	.....	107	.....	.....	.....	.....
Monday 28.	107½	107½	107½	.....	99½	.....	.....
Tuesday 29.	107½	107½	107½	.....	.....	.....	104½
Wednesday 30.	107½	107½	106½	.....	99½	.....	104½
Thursday 31.	107½	.....	107½	107½	99½	.....	104½
First.	106½	108½	106½	105½	99½	100	105	
Highest.	108½	108½	108	105½	100	100	105½	
Lowest.	106½	107½	106½	105½	99½	99	104	
Latest.	107½	107½	107½	107½	99½	99½	104½	

The quotations for Three-years Compound Interest Notes on each Thursday of the month have been as shown in the following statement :

Issue of—	Jan. 3.	Jan. 10.	Jan. 17.	Jan. 24.	Jan. 31.
June, 1864.	116½@116½	116½@116½	116½@116½	116½@117	118½@117½
July, 1864.	115½@116	116½@116½	116½@116½	116½@116½	116½@116½
Aug. 1864.	115½@115½	115½@115½	115½@115½	115½@116	115½@116½
Oct. 1864.	114½@114½	114½@114½	114½@114½	114½@115	114½@115½
Dec. 1864.	113½@113½	113½@113½	113½@113½	113½@114	113½@114½
May, 1865.	111½@111½	111½@111½	111½@111½	111½@111½	111½@111½
Aug. 1865.	110½@110½	110½@110½	110½@110½	110½@110½	110½@110½
Sept. 1865.	109½@110	110½@110½	110½@110½	110½@110½	110½@110½
Oct., 1865.	109½@109½	110 @110½	109½@110½	110 @110½	110½@110½

The first series of figures represents the buying, and the last the selling price at the first-class brokers' offices.

The total number of shares sold in the month of January, 1866 and 1867 comparatively, is shown in the following statement :

	At regular board.	At open board.	Both bo'a'ds
January, 1867.	765,359	1,658,325	2,423,684
" 1866.	1,152,97	1,306,900	2,459,817

The amount of Government bonds and notes, State and city bonds, and company bonds sold in January, 1866 and 1867, compare as follows :

	Governments.— Bonds.	State and city bonds.	Company bonds.	Total amount.
January, 1867.	\$6,863,300	\$1,988,200	\$2,524,800	\$12,108,800
" 1866.	4,827,200	3,340,100	952,900	12,155,700

The following are the closing quotations at the regular board to day, compared with those of the six preceding weeks :

	Dec. 21.	Dec. 28.	Jan. 4.	Jan. 11.	Jan. 18.	Jan. 25.	Feb. 1.
Cumberland Coal.....	65%	81	...	90	...	33	...
Quicksilver.....	44	44½	45	43	44	38½	...
Canton Co.....	45%	46%	49	46	46%	45	44
Mariposa pref.....	30%	31½	32	30½	30%	28½	28½
New York Central.....	110%	110%	110%	110%	108	101	x d. 99½
Erie.....	69	68%	67½	64	63½	58%	56½
Hudson River.....	119%	128%	132	132	125½	121	127
Reading.....	103%	105%	104%	105½	103	102	104½
Michigan Southern.....	80%	82½	82½	80½	78	71	71½
Michigan Central.....	107%	108	107%	106½	107	108½	107
Cleveland and Pittsburg.....	85%	87½	88%	90½	91	81½	83
Cleveland and Toledo.....	124%	124%	123	125%	120%	120	120
Northwestern.....	47	44½	45½	41%	42	36½	36½
" preferred.....	75%	80	82	81½	79½	64½	64½
Rock Island.....	109%	103%	103½	102%	98%	96½	95½
Fort Wayne.....	104%	107½	104½	102½	96%	95½	97
Illinois Central.....	116%	118½	121	119	120	112%	114½

The price of Five-twenties in London has been, upon the whole, sustained, notwithstanding the unfavorable effect which at first resulted from the introduction into Congress of measures looking to the impeachment of the President, and at the close of the month prices show unusual strength :

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON—JANUARY, 1867.

Date.	Cons for mon. 5-20s	Am. securities U. S. sh's.	III.C. sh's.	Erie sh's.	Date.	Cons for mon. 5-20s	Am. securities U. S. sh's.	III.C. sh's.	Erie sh's.		
Tuesday.....	1	90%	72½	80%	46½	Friday.....	18	90%	72½	81½	43½
Wednesday.....	2	...	75	82½	...	Saturday.....	19	90%	72½	81½	41½
Thursday.....	3	90%	73½	82½	46½	Sunday.....	20	...	...	...	...
Friday.....	4	90%	73½	82½	46½	Monday.....	21	90%	72½	80½	43
Saturday.....	5	90%	73	81½	45%	Tuesday.....	22	90%	72½	81	43½
Sunday.....	6	...	...	...	Wednesday.....	23	90%	72½	80%	43½	
Monday.....	7	90%	73	82	46	Thursday.....	24	90%	72½	81	43½
Tuesday.....	8	91	72½	81½	45½	Friday.....	25	90%	72½	81	43½
Wednesday.....	9	91	72½	81	45	Saturday.....	26	91	72½	81½	43
Thursday.....	10	91	72½	80½	44%	Sunday.....	27	...	...	...	...
Friday.....	11	91	72½	80½	43½	Monday.....	28	91	73	81	42
Saturday.....	12	91	72½	80½	43½	Tuesday.....	29	90%	73½	80	40½
Sunday.....	13	...	...	...	Wednesday.....	30	90%	73	82½	39	
Monday.....	14	91	72½	81½	45½	Thursday.....	31	90	72½	81½	39½
Tuesday.....	15	91½	72½	81½	44%	Highest.....	...	91½	75½	82½	46½
Wednesday.....	16	90%	72½	81½	44½	Lowest.....	90	72½	80%	39	39
Thursday.....	17	90%	72½	81½	44						

The Money market has shown a very decided stringency throughout the month. In all parts of the country there have been complaints of a scarcity of money, and balances held at this centre have been naturally drawn down. The exports of cotton from New Orleans and Mobile have called for considerable remittance of currency to those points. While the general rate on call loans has been 7 per cent., yet the prevailing lack of confidence has caused money to be offered to the best borrowers on easy terms, and on Governments heavy amounts have been placed at 5@6 per cent. Discounting has been severely checked by the prevailing mistrust and by the high rates on call loans, but at the close of the month a healthier tone prevailed with respect to commercial paper, transactions being larger and at easier rates.

The following are the rates of loans and discounts during the month :

RATES OF LOANS AND DISCOUNTS.

	Jan. 5.	Jan. 12.	Jan. 19.	Jan. 26
Call loans.....	7 @ -	7 @ -	7 @ -	7 @ -
Loans on Bonds and Mortgage.....	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos.....	7 @ -	7 @ -	7 @ -	7 @ -
Good endorsed bills, 3 & 4 mos.....	7½ @ 8	7 @ 8	7 @ 8	7 @ 8
" " single names.....	8 @ 9	8 @ 9	8 @ 9	8 @ 9
Lower grades.....	8 @ 10	8 @ 10	8 @ 10	8 @ 10

The month opened with considerable speculative activity in the Gold market, but the subsequent excitement in stock movements diverted attention from the gold room, and only on the last two days of the month was there any disposition apparent to renew speculation upon extensive scale. The large supply paid out by the Treasury upon January coupons has kept the market abundantly stocked with gold, and prevented any vigorous combinations for forcing up the premium. The price opened at 132½, advanced to 137½ at the middle of the month, and subsequently fell to 134½, closing at 135½.

COURSE OF GOLD AT NEW YORK, JANUARY.

Date.	Open'g	Lowest	High'st	Closing	Date.	Open'g	Lowest	High'st	Closing
Tuesday.....	1		(Holiday.)		Sunday.....	20			
Wednesday.....	2 133½	132½	133	132½	Monday.....	21 136½	136½	136½	136½
Thursday.....	3 132½	132½	134	134	Tuesday.....	22 136½	135½	136½	135½
Friday.....	4 134	133½	134½	134	Wednesday.....	23 135½	134½	135½	134½
Saturday.....	5 133½	133½	134½	134½	Thursday.....	24 134½	134½	134½	134½
Sunday.....	6				Friday.....	25 133½	133½	134½	134½
Monday.....	7 134½	133½	135½	133½	Saturday.....	26 134½	134½	134½	134½
Tuesday.....	8 134½	134	134½	134	Sunday.....	27			
Wednesday.....	9 134½	133½	134½	133½	Monday.....	28 134½	134½	134½	134½
Thursday.....	10 133½	132½	133½	133	Tuesday.....	29 134½	134½	134½	134½
Friday.....	11 132½	132½	134	134	Wednesday.....	30 134½	134½	136½	135
Saturday.....	12 134	133½	134	134	Thursday.....	31 134½	134½	135½	135½
Sunday.....	13				Jan....1867.....	132½	132½	137½	135½
Monday.....	14 134½	134½	134½	134½	" 1866.....	144½	130½	144½	139½
Tuesday.....	15 135	134½	135½	135	" 1865.....	228½	197½	234½	210½
Wednesday.....	16 135½	135½	136½	135½	" 1864.....	151½	151½	159½	157
Thursday.....	17 135½	135½	137	137	" 1863.....	133½	123½	160½	160½
Friday.....	18 137½	136½	137½	136½	" 1862.....	100	100	103½	103½
Saturday.....	19 136½	136½	136½	136½					

The amount of treasure received at this port from California and foreign ports and the amount exported therefrom to foreign countries during the month of January, 1867, was as follows :

Movement of Treasure at New York, January, 1867.

Treasure received at New York from California.....	\$2,472,895
do do do foreign ports (estimate).....	146,000
Total receipts from California and foreign ports	\$2,618,895
Treasure exported to foreign ports (approximate).....	2,750,000
Excess of exports over imports.....	131,105

Compared with the returns of the ten previous years the following results :

COMPARATIVE MOVEMENT IN 1867 AND THE TEN PREVIOUS YEARS.

JAN.	Receipts from California, For. Ports.	Total.	Exports to For. Ports.	Excess of Exports.
1867.....	\$2,472,895	\$146,000	\$2,618,895	\$2,750,000
1866.....	\$1,485,314	72,771	1,558,087	2,706,326
1865.....	2,043,457	52,268	2,095,725	3,181,853
1864.....	939,201	141,790	1,080,991	5,459,079
1863.....	2,337,682	101,906	2,439,588	4,624,574
1862.....	2,199,533	163,658	2,363,191	2,658,274
1861.....	4,185,105	7,262,229	11,447,324	58,894
1860.....	3,643,844	228,050	3,871,894	853,562
1859.....	2,587,013	71,308	2,658,321	2,905,688
1858.....	3,173,219	309,573	3,482,791	4,745,611
1857.....	2,730,007	886,509	3,616,516	1,907,946

The Foreign Exchange market has been high and firm, but towards the close fell suddenly and weakened. This latter movement is due to the large shipments of cotton and Government bonds which were made in the early of the month. The following table shows the daily range for first-class bills :

COURSE OF FOREIGN EXCHANGE (60 DAYS)—JANUARY

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for cento.	Hamburg. cents for rix daler.	Berlin. cents for M. banco.	Berlin. cents for thaler.
1.....					(New Year's Day— Holiday.)		
2.....	109 1/4 @ 109 1/4	517 1/2 @ 514 1/2	41 1/2 @ 41 1/2	78 1/2 @ 79	36 1/2 @ 36 1/2	72 @ 72 1/2	
3.....	109 1/4 @ 109 1/4	516 1/2 @ 515	41 1/2 @ 41 1/2	79 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
4.....	109 1/4 @ 109 1/4	517 1/2 @ 515	41 1/2 @ 41 1/2	78 1/2 @ 79	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
5.....	109 1/4 @ 109 1/4	517 1/2 @ 515	41 1/2 @ 41 1/2	78 1/2 @ 79	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
6.....							
7.....	109 1/4 @ 109 1/4	516 1/2 @ 515	41 1/2 @ 41 1/2	79 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
8.....	109 1/4 @ 109 1/4	517 1/2 @ 515	41 1/2 @ 41 1/2	78 1/2 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
9.....	109 1/4 @ 109 1/4	518 1/2 @ 515	41 1/2 @ 41 1/2	78 1/2 @ 79	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
10.....	109 1/4 @ 109 1/4	516 1/2 @ 515	41 1/2 @ 41 1/2	78 1/2 @ 79	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
11.....	109 1/4 @ 109 1/4	516 1/2 @ 516 1/2	41 1/2 @ 41 1/2	79 1/2 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
12.....	109 1/4 @ 109 1/4	516 1/2 @ 515	41 1/2 @ 41 1/2	79 1/2 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
13.....							
14.....	109 1/4 @ 109 1/4	516 1/2 @ 513 1/2	41 1/2 @ 41 1/2	79 1/2 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
15.....	109 1/4 @ 109 1/4	516 1/2 @ 515	41 1/2 @ 41 1/2	79 1/2 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
16.....	109 1/4 @ 109 1/4	516 1/2 @ 513 1/2	41 1/2 @ 41 1/2	78 1/2 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
17.....	109 1/4 @ 109 1/4	516 1/2 @ 513 1/2	41 1/2 @ 41 1/2	78 1/2 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
18.....	109 1/4 @ 109 1/4	516 1/2 @ 513 1/2	41 1/2 @ 41 1/2	78 1/2 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
19.....	109 1/4 @ 109 1/4	518 1/2 @ 516 1/2	41 1/2 @ 41 1/2	78 1/2 @ 79	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
20.....							
21.....	109 1/4 @ 109 1/4	518 1/2 @ 516 1/2	41 1/2 @ 41 1/2	78 1/2 @ 79	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
22.....	109 1/4 @ 109 1/4	516 1/2 @ 515	41 1/2 @ 41 1/2	79 1/2 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
23.....	109 @ 109 1/4	520 @ 516 1/2	41 1/2 @ 41 1/2	79 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
24.....	109 @ 109 1/4	520 @ 516 1/2	41 1/2 @ 41 1/2	79 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
25.....	109 @ 109 1/4	516 1/2 @ 515	41 1/2 @ 41 1/2	79 1/2 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
26.....	109 @ 109 1/4	518 1/2 @ 516 1/2	41 1/2 @ 41 1/2	79 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
27.....							
28.....	108 1/2 @ 109 1/2	520 @ 516 1/2	41 1/2 @ 41 1/2	79 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
29.....	108 1/2 @ 109	520 @ 515	41 1/2 @ 41 1/2	78 1/2 @ 79 1/2	36 1/2 @ 36 1/2	72 @ 72 1/2	
30.....	108 1/2 @ 109	520 @ 515	41 1/2 @ 41 1/2	78 1/2 @ 79 1/2	36 1/2 @ 36 1/2	72 @ 72 1/2	
31.....	108 1/2 @ 108 1/2	518 1/2 @ 517 1/2	41 1/2 @ 41 1/2	79 @ 79 1/2	36 1/2 @ 36 1/2	72 1/2 @ 72 1/2	
Jan.....	108 1/2 @ 109 1/2	520 @ 513 1/2	41 1/2 @ 41 1/2	78 1/2 @ 79 1/2	36 1/2 @ 36 1/2	72 @ 72 1/2	
Year.....	105 1/2 @ 110	545 @ 507 1/2	39 @ 42 1/2	75 @ 80 1/2	34 1/2 @ 37 1/2	68 @ 75 1/2	

Short sight on London has been as follows:

Days.	Days.	Days.	
1.....	11.....	110 1/2 @ 110 1/2	
2.....	110 1/2 @ 110 1/2	22.....	110 @ 110 1/2
3.....	110 @ 110 1/2	23.....	110 @ 110 1/2
4.....	110 1/2 @ 104	24.....	110 @ 110 1/2
5.....	110 @ 110 1/2	25.....	110 @ 110 1/2
6.....	110 @ 110 1/2	26.....	109 1/2 @ 110 1/2
7.....	110 @ 110 1/2	27.....	110 @ 110 1/2
8.....	110 @ 110 1/2	28.....	109 1/2 @ 110
9.....	110 @ 110 1/2	29.....	109 1/2 @ 109 1/2
10.....	110 @ 110 1/2	30.....	109 1/2 @ 109 1/2
		31.....	109 1/2 @ 109 1/2

JOURNAL OF BANKING, CURRENCY, AND FINANCE

Returns of the New York, Philadelphia, and Boston Banks.

Below we give the returns of the Banks of the three cities for the month of January.

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
January 5....	\$357,852,460	12,794,892	32,762,779	202,533,564	65,026,121	486,987,787
January 12....	258,935,488	14,613,477	32,825,163	202,517,608	63,246,370	605,132,006
January 19....	255,032,223	15,375,207	32,854,928	201,500,115	63,235,336	520,040,028
January 26....	251,674,803	16,014,007	32,957,198	197,952,076	63,426,559	568,822,84

[February,

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 5.....	\$20,209,064	52,312,317	908,663	10,388,820	41,308,327
January 12.....	20,006,255	52,528,491	903,320	10,380,577	41,023,421
January 19.....	19,448,099	53,458,307	877,548	10,381,595	30,048,645
January 26.....	19,363,374	52,168,473	880,583	10,384,683	39,001,779

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation—	
					National.	State.
January 7.....	\$97,009,342	1,183,451	17,032,387	40,824,618	24,580,367	312,664
January 14.....	98,41,778	1,334,300	16,829,495	40,246,216	24,997,446	311,749
January 21.....	95,98,932	1,078,160	16,59,299	38,679,604	24,275,162	301,911
January 28.....	97,891,329	1,058,329	16,816,481	39,219,311	24,716,597	302,298

WOOL TRADE FOR 1866.

Mr. James Lynch, broker, has compiled the following statement of the stocks, imports, exports, &c., of wool for 1866:

STOCK OF WOOL IN NEW YORK.

Jan. 1.	1867.	1866.	1865.
Domestic fleece.....	Ibs. 4,450,000	3,000,000	4,200,000
Pulled.....	800,000	.....	.....
Texas.....	930,000	250,000	.....
California and Oregon.....	1,150,000	1,250,000	500,000
Total domestics.....	7,330,000	4,500,000	4,700,000

1867. bales.	1866. bales.	1865. bales.	1867. bales.	1866. bales.	1865. bales.	
Cape.....	6,600	2,500	12,000	East India.....	4,500	4,000
Australian.....	630	.....	.....	Don-kol.....	900	200
Mestiza.....	100	3,000	2,000	Mediterranean.....	900	3,500
Coarse S. Am.....	830	450	700	Sundry.....	1,100	1,800
Wool Chilian.....	900	600	40		—	—
Total foreign ales.....				25,460	16,050	27,450

Stock in pounds.	1867.	1866.	1865.
Foreign.....	14,302,500	7,800,000	13,000,000
Domesic.....	7,330,000	4,500,000	4,700,000
Total.....	22,232,500	12,300,000	17,700,000

FOREIGN IMPORTS OF WOOL AT NEW YORK.

Jan. 1 to Dec. 31.	1863.	1865.	1864.	Jan. 1 to Dec. 31.	1866.	1865.	1864.
From—	bales.	bales.	bales.	From—	bales.	bales.	bales.
Buenos Ayres.....	22,693	14,420	14,360	France.....	333	1,615	20,955
Montevideo.....	1,980	750	3,923	Russia.....	3,151	7,115	9,445
Rio Grande.....	1,817	2,071	1,668	Antwerp.....	892	1,570	1,746
Chili.....	936	2,947	3,487	Hamburg.....	157	104	1,051
West Indies.....	275	60	1,433	Bombay.....	1,312	5,670	3,586
C. Good Hope.....	14,067	6,617	27,394	Sundry.....	110	846	9,018
Adelaide.....	1,152	1,103	.....	Total.....	58,724	53,429	113,668
England.....	9,259	9,205	15,602				
Total.....				Foregn, 1863.....			107,371
Foreign, 1866.....				Foreign, 1862.....			88,883
Foreign, 1865.....							
Foreign, 1864.....							
	113,668						

COASTWISE ARRIVALS OF WOOL AT NEW YORK.

From	Bales.	Bales.	Bales.	Jan. 1 to Dec. 31.	1866.	1865.	1864.
Jan. 1 to Dec. 31.	1863.	1865.	1864.	From	Bales.	Bales.	Bales.
San Francisco.....	2,560	8,326	5,485	Sundry Southern.....	563	348	....
San Francisco via Aspinwall.....	5,131	5,671	6,331	Interior by railroad, canal and river steamers.....	65,045	70,036	100,000
Texas.....	14,894	1,644	....	Interior, in transit.	39,413	45,000	23,000
New Orleans.....	2,918	1,014	....			
Savannah.....	862	555	....			

TOTAL ARRIVALS OF WOOL IN NEW YORK IN 1866.

	Bales.	Pounds.		Bales.	Pounds.
Foreign.....	58,724	36,066,176	New Orleans.....	2,918	1,167,200
California.....	7,694	3,847,000	Sundry Southern.....	568	173,600
Texas.....	14,894	4,468,200	From interior.....	65,045	13,009,000
Savannah.....	862	302,040			
Total.....				150,705	59,033,216
1865.....				136,023	50,460,203
1864.....				225,484	77,669,443

FOREIGN WOOL IMPORTED INTO UNITED STATES.

	1866.	1865.	1864.
New York.....	36,066,176	30,296,540	51,798,943
Boston.....	20,027,958	14,292,412	20,780,124
Philadelphia.....	171,000	450,000	1,513,000
Baltimore.....	597,150	595,800	870,980
Total.....	56,862,284	45,604,752	74,963,047

ESTIMATE OF TOTAL WOOL CLIP OF THE UNITED STATES IN 1866.

	Pounds.
Washed—On sheep, tub-washed and pulled.....	120,000,000
Unwashed—California and Oregon.....	9,000,000
Texas.....	6,000,000
Sundry Southern.....	2,000,000
Total.....	137,000,000
Yielding about one-half pure wool, or say.....	68,500,000
The product of 56,862,284 lbs. foreign may be set down at 40 per cent. clean.....	22,744,913
Leaving of pure wool, grown and imported in 1866.....	91,244,913

There are in the United States about 1,600 woollen mills, containing about 6,000 sets of carding machines, capable of consuming annually 170,000,000 lbs. clean material.

DEBT OF NEW YORK CITY AND COUNTY.

The following statement taken from the annual message of the Mayor of New York, will show the aggregate amount of the City and County debt, and the particulars in relation to it:

Debt of the City and County of New York, Dec. 31, 1866.

CITY FUNDED DEBT.

Water Stocks—Issued on account of introducing the Croton water into the city and distributing the same.....	\$10,782,800 00
Central Park Stocks—Issued on account of Central Park and the improvement of the same.....	9,923,571 00
Fire Indemnity Stock—Issued for the payment of damages for blowing up buildings, December, 1835.....	402,768 00
Building Loan Stock—Issued on account of building workhouse on Blackwell's Island.....	190,000 00
Real Estate Bonds—Issued in settlement with State lessees of West Washington Market, for payment to the State for sundry lands filled in beyond the boundary line of the Montgomery charter and for purchase of Ft. Gansevoort property	1,133,437 50
Stocks for Docks and Slips—Issued for rebuilding and repairing public docks and slips.....	500,000 00
Floating Debt Fund Stock—Issued for liquidating and funding Floating Debt in 1859.....	2,748,000 00
Public Education Stock—Issued for payment of debt of Public School Society ... Stock for Rebuilding Tompkins Market.....	154,000 00
Volunteer Soldiers' Family Aid Fund Bonds—Issued to provide for the families of soldiers in the United States Army.....	51,000 00
Volunteer Soldiers' Family Aid Fund Redemption Bonds—Issued to extend the time of payment of Volunteer Soldiers' Family Aid Fund Bonds, No. 3	3,756,500 00
Volunteer Soldiers' Bounty Fund Redemption Bonds—Issued for redemption of a like amount of bonds for payment of bounties to Volunteer Soldiers.....	500,000 00
Total Funded Debt of City	\$30,642,076 50

[February,

COUNTY FUNDED DEBT.

Harlem Bridge Bonds—Issued for erecting a bridge across Harlem River at McComb's Dam.....	\$30,000 00
County Court-house Stock—Issued, as its title indicates, for the erection of the New Court-house in Chambers street.....	1,800,000 00
Soldiers' Substitute Bounty Redemption Bonds.....	\$2,300,000 00
Soldiers' Substitute and Relief Redemption Bonds.....	946,700 00
Soldiers' Bounty Fund Bonds.....	4,000,000 00
Soldiers' Bounty Fund Bonds, No. 2	376,600 00
Soldiers' Bounty Fund Bonds, No. 3.....	745,800 00
The above were issued to provide means for the payment of bounties, and for substitutes for the arms of the Union.	\$8,069,100 00
Riot Damages Redemption Bonds.....	1,200,000 00
Riot Damages Indemnity Bonds	620,000 00
Total Funded Debt of County.....	\$11,509,100 00

RECAPITULATION—FUNDED DEBT.

<i>City.</i>	
Amount payable from Sinking Fund.....	\$22,423,576 50
Amount payable from taxation.....	8,309,500 00
<i>County.</i>	
Amount payable from taxation.....	11,509,100 00
<i>Total.</i>	
The Commissioners of the Sinking Fund hold on account of the above debt the sum of	\$42,142,176 50
Net amount City and County Funded, December 31, 1866	11,240,298 11
	\$30,901,878 39

Of the foregoing debt it will be perceived that \$10,782,800 is for Croton Water works, \$9,923,571 for Central Park, and \$14,445,600 for expenses growing out of, and connected with the war.

TEMPORARY CITY DEBT.

Revenue Bonds of 1866—Issued in anticipation of collection of taxes of 1866....	\$683,800 00
Street Improvement Fund Bonds—Issued to pay contractors for improving the streets in anticipation of the collection of assessments therefor	1,642,600 00
Assessment Fund Bonds—Issued to pay for opening, widening, &c., of streets, in anticipation of the collection of assessments therefor	400,000 00
Total Temporary Debt of the City.....	\$2,726,400 00

TEMPORARY COUNTY DEBT.

Revenue Bonds of 1866—Issued in anticipation of collection of taxes of 1866....	307,200 00
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RECAPITULATION—TEMPORARY DEBT.

<i>City.</i>	\$2,726,400 00
<i>County.</i>	307,200 00
Total Temporary Debt, City and County	\$3,033,600 00

For the payment of this Temporary Debt the city holds assets in the shape of assessment liens, unpaid taxes, &c., &c.

The net amount of funded debt is \$855,996 less than it was at the close of 1865, and the City and County Temporary Debt is \$1,659,700 less than it was at that date.

The whole debt is well secured, for it is a lien upon the whole property of the city, both public and private. The Sinking Fund (provided for the payment of the principal and interest of a large portion of it) is in a sound condition. The revenues for the payment of the interest on that portion of it payable from this Fund are greatly in excess of what is required for that purpose, and the accumulations for payment of the principal will be ample to pay it long before its maturity.

BOSTON DIVIDENDS.

We are indebted to Joseph G. Martin, of Boston for tables of Railroad, Manufacturing and Miscellaneous Dividends, payable in that city in January. The railroads show a profitable year, their dividends in many cases exceeding those of last

year. This is probably due, in great part, at least to the decrease in the expense account, by reason of the lower charges for wages and railroad material. On the other hand the exhibit of the manufacturing companies is not so favorable, although many of them are still dividing large profits among their stockholders. Below we give the dividends for this year, adding also, for comparison, those for the previous year.

DIVIDENDS OF RAILROAD COMPANIES.

Payable	Stocks.	Capital.	Dividends.					Amount
			July 1865.	Jan. 1866.	July 1866.	Jan. 1867.	January 1867.	
Jan.								
10....	Berkshire Railroad.	\$320,000	1½	1½	1½	1½	1½	\$5,600
1....	Boston and Lowell.	1,830,000	2	4	4	4	4	73,200
1....	Boston and Maine.	4,155,700	4	4	5	5	5	207,785
1....	Boston and Providence.	3,360,000	5	5	5	5	5	168,000
1....	Boston and Worcester.	4,500,000	4½	5½	5	5	5	225,000
-....	Cape Cod (par 60).	600,000	3½	4½	3½	3½	*	.....
1....	Concord & Ports' h guar'd.	350,000	3½	3½	3½	3½	3½	12,250
1....	Connecticut River.	1,591,000	4	4	4	4	4	63,640
1....	Eastern.	3,155,000	3	4	4	4	4	126,200
1....	Eastern in N. H.	492,500	3	4	4	4	4	19,700
1....	Fitchburg.	3,540,000	3	4	3	5	5	177,000
1....	Metropolitan.	1,250,000	—	—	0	5	5	62,500
1....	Michigan Central.	7,502,700	4	5	5	5	5	375,135
1....	New Bedford and Taunton.	500,000	4	4	4	4	5	25,000
1....	Old Colony and Newport.	4,798,300	4	4	4	4	3	143,949
1....	Philadelphia, Wil. & Bal.	7,178,850	—	—	5	5	5	358,942
1....	Pittfield and No. Adams.	450,000	3	0	3	3	3	13,500
1....	Providence and Worcester.	1,700,000	4	4	4	4	4	68,000
1....	Taunton Branch.	250,000	4	4	4	4	4	20,000
1....	Vermont & Massachusetts.	2,860,000	—	2	1½	1½	1½	42,900
1....	Western.	6,710,800	4	6	5	5	5	335,540
1....	Worcester & Nashua.	15,222 sh.	\$3	\$4	\$4	\$4	\$4	60,888
Total.								\$2,574,729

* Not heard from.

DIVIDENDS OF MANUFACTURING COMPANIES.

Payable	Stocks.	Capital.	Dividends.					Amount
			July 1865.	Jan. 1866.	July 1866.	Jan. 1867.	January 1867.	
Jan.								
1....	Androscoggin.	\$1,000,000	15	25	20	20	20	\$200,000
*....	Appleton.	600,000	5	20	10	10	10	60,000
-....	Atlantic.	1,500,000	0	10	4	0	0	.....
1....	Bates.	1,000,000	10	25	10	5	5	50,000
1....	Chicopee.	420,000	20	30	15	20	20	84,000
*....	Cocheco.	2,000 sh.	\$20	\$40	\$50	\$50	\$50	100,000
1....	Contoocook.	140,000	..	4	4	5	5	7,000
*....	Douglas Axe.	400,000	5	5	10	6	6	24,000
*....	Dwight Mills.	1,7 0,000	0	3	3	0	0	...
1....	Franklin.	600,000	5	10	10	10	10	60,000
1....	Great Falls.	1,500,000	0	5	3	3	3	45,000
*....	Hamilton Cotton.	1,200,000	0	5	0	5	5	60,000
1....	Hill Mill.	700,000	5	10	20	20	20	140,000
*....	Jackson Company.	600,000	5	15	5	5	5	30,000
*....	Lancaster Mills (par 400).	800,000	6½	20	25	10	10	80,000
*....	Langdon Mills.	225,000	5	25	25	25	25	56,250
1....	Lowell Bleachery.	300,000	5	5	5	5	5	15,000
*....	Manchester P. W.	1,800,000	4	12	6	6	6	108,000
1....	Massachusetts Mills.	1,800,000	3	7	0	6	6	108,000
*....	Merrimack.	2,500,000	..	..	7½	15	15	375,000
*....	Middlesex Mills.	750,000	7½	10	5	5	5	37,500
*....	Nashua.	1,000,000	10	25	10	10	10	100,000
1....	Naumkeag.	1,200,000	4	10	10	12	12	144,000
1....	Newmarket (par 700).	600 sh.	\$21	\$100	\$50	\$70	\$70	42,000
*....	Pacific.	2,500,000	10	14	12	12	12	300,000
1....	Salisbury.	1,000,000	7½	15	10	7½	7½	75,000
-....	Salmon Falls (par 300).	600,000	3	7	3	0	0	.....
*....	Stark Mills.	1,250,000	8	12	5	10	10	125,000
1....	Washington Mills.	1,650,000	8	10	10	10	10	165,000
Total.								\$2,590,750

* Payable on demand.

[February,

CIRCULAR FROM TREASURER SPINNER.

The following circular to certain collectors of customs, receivers of public money and others, was issued by the United States Treasurer the past week :

TREASURY DEPARTMENT TREASURER'S OFFICE }
WASHINGTON, Dec. 17, 1866. }

In order to realize with the least possible delay and expense the receipts of revenue derived from customs, sales of public lands, and from other sources, collected at offices not contiguous to an assistant treasurer or designated depository, and to facilitate the necessary disbursements of the Treasury, it is important that the Treasurer be kept duly advised of the amount of money in your hands. To this end you are required to render in this office a statement of receipts and disbursements at the end of each calendar month. This statement must be made out and remitted by the first mail of the succeeding month. Any neglect or want of promptness in this particular will be noticed by the department.

In these statements you will bring forward balances from the last account, and place thereunder, to the credit of the Treasurer, the amount of all moneys received since the previous return, if any arranged, when transactions are in more than one kind, under separate columns for coin and currency; to his debit, arranged in like manner, the amount of Treasurer's draft made on you or on other officers and paid by you, and the amount of any deposit made by you to the Treasurer's credit with any government depository. The number, amount and date of payment of each draft will be given; also the date, amount and name of depository with whom credit has been so made. Deposits of coin for customs receipts, under law, cannot be made with any national bank. No debit to the Treasurer's account will be allowed, except for drafts or deposits made as above. All drafts or vouchers, properly endorsed and cancelled, or stamped as paid, must be transmitted to the Treasurer, with the account current on which they were entered; such charge will not be allowed until they are remitted. Care should be exercised in having all drafts properly endorsed before payment. General powers of attorney to endorse must be on file, either in this office or with the First Comptroller of the Treasury, and special ones, for a particular transaction, must accompany the drafts. Companies or banks must endorse by one of their legalized officers, or by their attorneys aforesaid. No guarantee of any endorsement, nor stamped endorsements, will be recognized. As a matter of security against loss of drafts in transmission you should take from the last payee a receipt for the amount of each draft paid, rehersing number, date, amount and name of original payee.

Should the Treasurer direct you in writing to make payment of any of his drafts on himself, or on any Assistant Treasurer, United States depository, National Bank designated as such, you will pay them if you have sufficient funds on hand the same as if made on yourself, and remit the draft, endorsed "for credit of my account," over your official signature, to the Treasurer of the United States, at Washington, where the amount will be credited, and certificate of deposit or duplicate issued and forwarded —original to the Secretary of the Treasury, and duplicate to the payor of the draft.

F. E. SPINNER, Treasurer United States.

EXAMINATION OF TREASURY DEPARTMENT—COPY OF THE BILL ENFORCING THE SAME.

The following is an exact copy of the Senate bill enforcing a periodical examination of the Treasury Department, with a view to securing that publicity which is indispensable to efficiency and responsibility on the part of public officers:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That immediately after the passage of this act, and in the month of December of each year hereafter, the President shall, by and with the advice and consent of the Senate, appoint three citizens not holding any office under the Government of the United States, who are eminent for integrity and ability, and who are hereby authorized and directed to make full and thorough examinations of the Treasury Department, and such other departments as the provisions of this act may require, and present duplicate reports to the President and to Congress in reference to—

1st. The receipt and disbursement of public money, including expenditures, in the several executive departments.

2d. The actual amount of money in the Treasury of the United States, specifying

whether in coin, United States notes, or national bank notes, the amount of each, the several funds to which it belongs, and the amount in each place where public money is deposited or held.

3d. The amount of money deposited with designated depositories to the credit of the Treasurer, and the mode of managing and securing the same.

4th. The amount and description of bonds deposited in the Treasury by national banking associations to secure the redemption of their currency.

5th. The manner of paying interest on the bonds of the United States, and the safeguards against the duplication or counterfeiting of coupons.

6th. The sale of gold, and the purchase and sale of bonds and other securities of the United States, rates of purchase or sale, and the amount of commissions paid and to whom paid.

7th. The engraving, printing and issuing of national bank notes, United States notes, fractional currency, bonds and other securities of the United States.

8th. The redemption, cancellation and destruction of national bank notes, United States currency, bonds and other securities, and the mode of disposing of imperfect sheets of paper intended but not used to represent value.

9th. The manner of keeping accounts, auditing claims and issuing warrants for the payment of money from the Treasury.

10th. Any suggestions or recommendations affecting the efficiency and security of transactions in the Treasury Department, or economy in the public expenditures.

SEC. 2. And be it further enacted, That for the purpose of the examination authorized and directed in the preceding section, said examiners shall have access to all the vaults, safes, deposits, books, records, letters and other documents in the Treasury Department, sub treasury, or any bureau thereof, and shall have power to summon witnesses, administer oaths, and employ a clerk and stenographer.

SEC. 3. And be it further enacted, That said examiners shall each receive ten dollars per day and actual expenses, during the time actually employed in making such examination and report; and for the pay of said examiners, their clerk and stenographer, and for their actual expenses, there is hereby appropriated ten thousand dollars, or so much thereof as may be necessary, out of any money in the Treasury not otherwise appropriated.

Passed the House of Representatives January 28, 1867.

NATIONAL BANKS NOT AUTHORIZED TO ESTABLISH BRANCHES, OR TO BUY COMMERCIAL PAPER AT MORE THAN SEVEN PER CENT.

Some National Banks, in as well as out of this State, have been in the habit, when they had the opportunity, of buying good paper in the open market at 8@12 per cent., while others have considered that they had the right, under the law, to open branch banks in other places, and have done so. These practices, we are informed in the following decision of the Deputy Comptroller, are unauthorized. This decision, however, is not in accordance with the opinion of some of our best lawyers.

TREASURY DEPARTMENT,
OFFICE OF COMPTROLLER OF THE CURRENCY,
WASHINGTON, Jan. 8, 1867.

SIR—I am in receipt of your letter of the 7th of January.

Sec. 8 of the National Currency act confers upon national banks "all such incidental powers as shall be necessary to carry on the business of banking, by discounting and negotiating promissory notes, drafts, bills of exchange and other evidences of debt," and closes with this provision: "And its usual business shall be transacted at an office or banking house located in the place specified in its organization certificate."

As the law confers no authority upon a national bank to establish a branch, or to carry on the business of banking at any other place than the one where it is located, it must follow that all such banking at other points is irregular, and in violation of Sec. 8 of the law.

Such banking is also in violation of the provision of section thirty, which restricts national banks to the same rate of discount or interest allowed by law in the several States where they may be located.

National banks have no authority conferred on them to "discount or negotiate notes" otherwise than under the restriction of the thirtieth section of law; therefore a New

York National Bank is not authorized to buy commercial paper in the open market at a rate greater than seven per cent.

Very respectfully,

H. R. HULBURD,

Deputy and Acting Comptroller.

J. Thompson, Esq., New York.

The section of the Act on which the foregoing opinion is founded reads as follows:

SEC. 30. And be it further enacted, That every association may take, receive, reserve and charge, on any loan or discount made, or upon any note, bill of exchange, or other evidences of debt, interest at the rate allowed by the laws of the State or territory where the bank is located, and no more, except that where by the laws of any State a different rate is limited for banks of issue organized under State laws the rates so limited shall be allowed for associations organized in any such state under this Act. And when no rate is fixed by the laws of the state or territory, the bank may take, receive, reserve or charge, a rate not exceeding seven per centum, and such interest may be taken in advance, reckoning the days for which the note, bill, or other evidence of debt has to run. And the knowingly taking, receiving, reserving, or charging a rate of interest greater than the aforesaid, shall be held and adjudged a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon. And in case a greater rate of interest has been paid, the person or persons paying the same, or their legal representatives, may recover back, in any action of debt, twice the amount of interest thus paid, from the association taking or receiving the same: Provided, That such action is commenced within two years from the time the usurious transaction occurred. But the purchase, discount, or sale of a *bona fide* bill of exchange, payable at another place than the place of such purchase, discount or sale, at not more than the current rate of exchange for sight drafts in addition to the interest, shall not be considered as taking or receiving a greater rate of interest."

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